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A Day of Historic Gravity

Senate Opens Impeachment Trial of Clinton

White House Seeks to Bar Witnesses

By Brian Knowlton
International Herald Tribune

WASHINGTON — The Senate trial of President Bill Clinton was formally opened Thursday as 100 senators raised their right hands and swore before the chief justice of the United States to "do impartial justice" in the second presidential impeachment trial in the history of the republic.

They are charged with determining whether Mr. Clinton committed perjury and obstructed justice in seeking to conceal his relationship with a young intern, Monica Lewinsky — and if so, whether he should be removed from office.

The White House looked on with grave concern as the schedule and broad outlines of the impeachment trial were still being debated even after the swearing-in and as Chief Justice William Rehnquist adjourned the trial until next Thursday.

"You cannot have a process that's fair to someone involved in that process where the rules get made up as you go," said Joe Lockhart, the president's spokesman.

The Republican leadership was putting the finishing touches on a plan that would permit the calling of witnesses — including certainly Ms. Lewinsky — but the White House warned sharply that if witnesses were called, any effort to contain the trial's length would be futile and any attempt to maintain a bipartisan tone would likely suffer.

"If they insist on bringing witnesses," Mr. Lockhart said, "it will significantly extend and delay this process and all bets are off."

Republicans had urged all 100 senators to

meet after the swearing-in for a rare private session in the Old Senate Chamber to seek a compromise on the conduct of the trial. It would then be outlined in an official summons to be sent to the White House.

But underscoring the sharp partisan divisions that have characterized the process since it began in the House, Democrats declined the offer.

The Senate majority leader, Trent Lott of Mississippi, continued to seek support for a plan calling for a full trial to be opened with arguments from the House prosecutors and the

Chief Justice Rehnquist is a controlling presence. Page 2. • Hot trial tickets. Page 2. • Republicans sour on censure. Page 3.

White House, but with no decision until afterward about whether to allow witnesses. The process presumably would end in final votes on each impeachment charge, votes that Mr. Clinton is expected to survive.

"Let's begin to hear the case and we'll make decisions as we go forward," the Mississippi Republican told reporters after the articles were read. "I'm not sure that you can preordain or lock in everything that will happen down the line." He said he hoped to complete a proposal by the end of the day.

The assistant Republican leader, Don Nickles of Oklahoma, said the trial "would hopefully be wrapped up by Feb. 5 and no later than Feb. 12, and frankly it could be done much sooner than that."

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The House Judiciary Committee chairman, Henry Hyde, at the lectern, and House managers on the floor of the Senate on Thursday.

AGENDA

New Turkish Role On World Stage

Once a hapless actor on the world stage, Turkey has begun flexing its muscle whenever it feels the need. In a series of blunt warnings of economic pressure and even military strikes, Turkish leaders are using their growing power to achieve what they consider vital policy goals. Although this country has been without a functioning government for the past six weeks, its newfound assertiveness in foreign policy is likely to continue no matter who emerges as the next prime minister. Page 5.



RESIGNING — Abdul Rahim Noor, who resigned his post Thursday as Malaysia's inspector general of police over the Anwar Ibrahim case. Page 4.

Freetown Cease-Fire

President Ahmad Tejan Kabbah of Sierra Leone said Thursday that he and the rebel leader Foday Sankoh had ordered a cease-fire in Freetown, but a rebel commander said he had doubts that the rebel leader had issued the order. Page 2.

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The Success of the Euro Tempts the 3 Holdouts

Interest Grows in Sweden, Denmark and Britain

By Tom Buerkle
International Herald Tribune

LONDON — Far sooner than expected, the smooth launch of the euro this week is encouraging countries on the outside to consider jumping on the bandwagon.

Speculation about Sweden's entry into the euro zone swept the country's financial markets Thursday after Prime Minister Goran Persson said his governing Social Democratic Party should make an early decision on whether to join the single currency.

Mr. Persson's comments in an interview late Wednesday followed a strong pro-euro statement from Prime Minister Poul Nyrup Rasmussen of neighboring Denmark last week. Both provided clear evidence that the currency's strong debut was heightening fears of economic and political marginalization among countries outside the euro zone.

There were also signs of a decisive shift in public opinion in both countries. An opinion poll published Thursday in Denmark showed a majority of respondents supported joining the euro, the first such poll result there.

"There is a certain amount of panic among europhiles in the 'out' countries about getting in," said Mark Cliffe, the senior European economist at the ING

Barings investment bank in London. Mr. Persson said the Social Democrats should hold a special congress early next month, more than a year ahead of previous plans, to decide whether to support entry into the euro zone, a decision that could lead to a national referendum that year.

"They are preparing the party, and public opinion, to enter EMU," or economic and monetary union, said Mats Nymann, chief economist at Svenska Handelsbanken. He estimated the likelihood of Swedish entry by 2002, the year euro notes and coins are to be introduced, to be "at least 75 percent."

In Britain, meanwhile, debate about the euro also appeared set to intensify as banks in the City of London warm to the new currency and the government prepares to publish a changeover plan in coming weeks outlining how Britain would introduce the euro if it decided to join. One senior Labour member of Parliament this week publicly urged the government to abandon its wait-and-see stance and give a clear timetable for British entry.

So far, Prime Minister Tony Blair has shown no such inclination. In addition to his usual caution regarding the euro, the government has been shaken by a string of resignations in the past two

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A trader celebrating in Hong Kong on Thursday as the market rallied.

Bank of England Cuts Rate Again

For the fourth time in as many months, the Bank of England lowered a key interest rate Thursday as Britain's economy continued its slide toward much-feared recession. Page 11.

From Seoul to Jakarta, Investors Buoy Markets

But Analysts Say 'Reckoning' Still Must Come

By Mark Landler
New York Times Service

HONG KONG — The bulls stamped across Asia on Thursday, as stock markets from Seoul to Singapore registered powerful gains. But rather than cheer the frothy performance, many analysts here are alarmed by the growing disparity between the buoyant markets and Asia's still-sinking economies.

Several experts warned that the region could face a jolting retrenchment when investors finally stop for a reality check.

"We certainly don't think this rally will extend beyond the second quarter," said Michael Sargent, the head of Asia-Pacific equity research at Salomon Smith Barney in Hong Kong. "Asia hasn't had its day of reckoning yet."

On Thursday, though, investors behaved as though the Asian crisis was a mere memory. Emboldened by record-setting gains in the United States on Wednesday, they poured money into shares in Hong Kong, Jakarta, Seoul, Singapore, Taipei, and Manila. Shares in Jakarta leaped more than 7 percent, Hong Kong and Seoul each rose 4 percent, and Singapore jumped 3.6 percent.

Tokyo's Nikkei index registered a more modest 0.51 percent gain, while shares in Bangkok and Kuala Lumpur closed down slightly.

Analysts said those results, which followed robust gains Wednesday, reflected a recognition that the region's markets are out of sync with the underlying economies.

In most of Asia, however, investors have barely paused to catch their breath since shares first began moving up last September. The region's markets have sustained the rally in the face of a relentless stream of dismal economic news, a feat that has left economists and portfolio managers here baffled.

"I'm really ready to throw in the towel and say, 'Nothing matters anymore but positive investor sentiment,'" said Mac Overton, a portfolio manager at MBF Unit Trust in Hong Kong. "The stock market has continued to increase despite three straight quarters of lower corporate earnings."

The Dollar			
New York	Thursday @ 4 P.M.	previous close	
Euro	1.1705	1.1617	
Pound	1.651	1.655	
Yen	110.85	112.9	
DM	1.651	1.659	
FF	5.6038	5.6451	
Dollars per pound and per euro			
The Dow			
Thursday close	percent change		
-7.21	9,537.76	-0.06%	
S&P 500			
Thursday close	percent change		
-2.61	1,269.73	-0.21%	
Nasdaq			
Thursday close	percent change		
+5.24	2,326.10	+0.23%	

U.S. Admits Spies Worked As Inspectors Of Iraqi Arms

By Tim Weiner
New York Times Service

WASHINGTON — U.S. officials now admit that American spies worked undercover on teams of United Nations arms inspectors seeking secret Iraqi weapons programs.

Iraq has long condemned the inspectors as tools of American intelligence. In October it issued a statement saying that it would never cooperate with UN teams riddled with "American spies and agents."

American officials said Wednesday that U.S. intelligence agencies provided information and technology to the UN Special Commission, known as Unscop, charged with monitoring Iraqi disarmament. In turn, they said, the United States and other countries received information on Iraqi weapons programs from the inspectors.

By being part of the team, the Americans gained firsthand knowledge of the investigation and a protected presence inside Baghdad.

Intelligence-gathering devices supplied to the inspectors by Washington gave the United States a better understanding of the sites for weapons of mass destruction, U.S. officials said.

The commission has been a unique attempt by the United Nations to establish an international intelligence-gathering and analysis operation. Its mission was to uncover Iraqi weapons programs that continued after the Gulf War of 1991, in which Iraq's occupation of Kuwait was ended. Scientists, mil-

Obuchi Calls for Currency Cooperation

Japan's Leader Seeks a 'Tripolar' System to Keep Up With Dollar and Euro

By Alan Friedman
International Herald Tribune

As Tokyo scrambled to keep its currency from becoming an also-ran, France and Japan on Thursday jointly called for the Group of Seven leading industrial democracies to agree on reforms of the global monetary system that they said would stabilize exchange rates of the euro, yen and dollar.

On the first day of a weeklong swing through Europe, and as the dollar touched a 27-month low against the yen, Prime Minister Keizo Obuchi of Japan joined President Jacques Chirac of

France in calling in Paris for new cooperation with other members of the Group of Seven to establish a "new framework for mutual cooperation" on currency markets.

"Further stability of foreign-exchange markets is of key importance not only to each of our economies but also to the entire world economy," the two leaders said in a statement.

Mr. Chirac also called for a summit meeting, possibly in the autumn in Paris, of the more than 20 member countries in the Interim Committee of the International Monetary Fund to agree on reforms in the international monetary system. The

committee groups both industrialized and emerging-market nations.

The two leaders stopped short of endorsing Germany's recent suggestions of a system that would create target bands within which the yen, the euro and the dollar would fluctuate. But an aide to the French president said the case for reform of the world currency system would be made by Mr. Chirac on Feb. 19 when he met with President Bill Clinton at the White House.

In Washington, however, U.S. officials are uncertain what the rhet-

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China Detains Top Police Aide in Corruption Inquiry

By John Pomfret
Washington Post Service

BEIJING — Communist Party anti-corruption investigators have detained the highest ranking security official since China's revolution in 1949 in a tacit acknowledgment of the gravity of the country's corruption problem, sources said Thursday.

Two sources, one Western and one Chinese, said Li Jizhou, a deputy minister of the Public Security Bureau, the national police, had been taken into custody by the party's Central Commission for Discipline Inspection. One source said Mr. Li was detained by party officials Wednesday night. The other source said Mr. Li was removed from his post last month.

No one answered the phone Thursday at the spokesman's office of the Public Security Ministry. The press office at the State Council, the Chinese cabinet, declined to comment.

If Mr. Li's arrest is confirmed, it would be the most senior security personnel in Communist China's history to have been detained on investigation for corruption. The arrest of such a high-ranking officer, a deputy minister in charge of border security and anti-smuggling operations, would be a clear indication of the depth of Beijing's worries about malfeasance and graft.

China's breakneck development over the last 20 years has improved the lives of many of the 1.3 billion citizens. But when the paramount leader Deng Xiao-

ping exhorted people that "to get rich is glorious," he set off an explosion of get-rich-quick schemes, nepotism and profiteering that is threatening the future of the nation. President Jiang Zemin readily acknowledges that rampant corruption endangers the power and prestige of the Communist Party, and he has described a nationwide anti-graft drive now under way as a "life and death struggle."

The state-run press has unveiled estimates of the cost of corruption to China, and the numbers are staggering.

Smuggling, for example, is believed to account for \$30 billion a year in goods. This includes cars, oil and

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Newstand Prices	
Andorra	10.00 FF Lebanon
Antilles	12.50 FF Morocco
Armenia	1.600 CFA
Cameroon	1.600 CFA
Egypt	5.50 FF
France	10.00 FF
Gabon	1.100 CFA
Italy	3.000 Lira
Spain	250 Ptas
Switzerland	1.250 Sfr
Tunisia	1.250 Dn
U.A.E.	10.00 Dh
U.S.	700 File
U.S. ML (Eur)	\$1.20



Chief Justice Rehnquist / A Controlling Presence

Jurist Who Swears by Precision Presides Over Clinton Trial

By Joan Biskupic
Washington Post Service

WASHINGTON — When Chief Justice William Rehnquist entered the Senate chamber Thursday, his presence helped transform what has been primarily a political drama into a more solemn, judicial proceeding.

Shortly after Justice Rehnquist took his chair, elevated above the rows of wooden desks, he asked senators to swear that they would render "impartial justice" as jurors evaluating the fate of a president.

That oath immediately distinguished the Senate role from that of the House, since the constitution gives the House the power to impeach, or indict, a public official, and reserves for the Senate the neutral role of determining whether those allegations are true and what should be done about them.

It falls to Justice Rehnquist, who wears a black robe personalized with four gold stripes on the sleeves, to keep order in the chamber, rule on questions of evidence and control the pace of the trial. A man who believes in precision and punctuality, Justice Rehnquist is likely to keep senators in line and adhere to a strict schedule once one is set. The chief justice also is charged

with the task of receiving written questions from senators to be asked of any witnesses. If it comes to it, Justice Rehnquist has the power to break a tie vote.

The Supreme Court has long been on the periphery of the scandal engulfing the White House, with rulings and other actions that have worked against President Bill Clinton and ultimately favored the independent counsel, Kenneth Starr. Foremost among them was the court's unanimous decision to allow Paula Jones's sexual harassment lawsuit to proceed. Now the third branch of the government is involved through the person of the 74-year-old chief justice, a large stooped man who is known for his bluntness and who is required by the constitution to preside over the trial of a president.

"Nothing emphasizes more how high the stakes are than having the highest judicial officer presiding," said Dennis Hutchinson, a law professor at the University of Chicago. Only once before has the Senate considered whether to remove a president from office, in 1868, when Andrew Johnson narrowly eluded conviction.

The historic proceeding Thursday came 27 years to the day after Justice Rehnquist first took his own judicial oath. The Wisconsin native and Stanford University law graduate was appointed to the nation's highest court by President Rich-



William Rehnquist, the senior judicial official in the United States, presiding over the Senate impeachment trial of the president Thursday. A stickler for punctuality, he is expected to keep senators in line and make them adhere to a strict schedule once one is established. If it becomes necessary, he has the power to break a tie vote.

ard Nixon in 1972 and elevated to chief by President Ronald Reagan in 1986.

The chief justice already discussed some preliminary matters with Senate leaders. He reviewed the Senate rules, going over impeachment precedents and calling through his own research.

As an amateur historian, Justice Rehnquist wrote a 1992 book on impeachment. That tome, entitled "Grand Inquests," gives little sign of how he will preside over the current trial, but it does reveal his general concern that impeachment be reserved for the extreme cases and not motivated by politics. He concluded that the Johnson impeachment was so politically driven

that if Johnson had been convicted, "a long shadow would have been cast over the independence" of the presidency.

The chief justice's writings suggest that he will view his role as largely ministerial and that he will not attempt to make decisions that strongly favor one side over another. In a 1993 high court decision, Justice Rehnquist emphasized the Senate's "sole power" in impeachment trials. And if he intervened in a way that agitated the Senate, his ruling could be overturned by a majority vote of the senators.

The chief justice has emphasized that impeachment is not "a referendum on the public official's performance in office," but rather a form of judicial inquiry in which the House makes specific charges and the Senate decides whether the charges have been proved. It takes a two-thirds vote of the Senate to convict.

Hottest Ticket in Town: A Seat in Senate Gallery

WASHINGTON — The most sought after ticket in this city may be one allowing the bearer to watch history unfold as the U.S. Senate conducts its impeachment trial of President Bill Clinton.

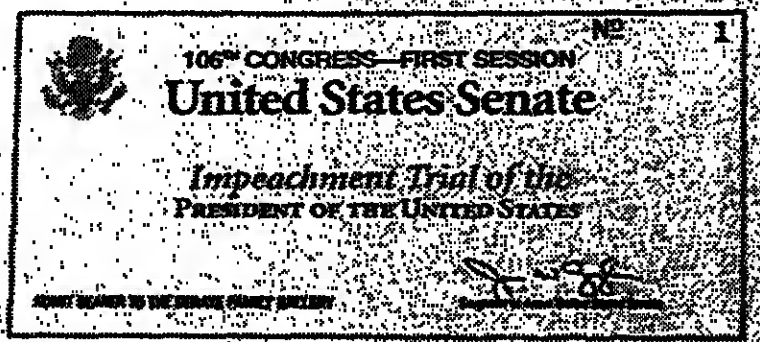
The tickets will be good for admission to galleries that overlook the Senate chamber's floor, where the first impeachment trial in 131 years is being held. For each day that the trial is conducted, 50 of the roughly 596 seats in the Senate galleries will be reserved for the public on a first-come, first-served basis. As always, there will be no charge.

The rest of the tickets will be allocated to guests of members of Congress, the White House, the Supreme Court and the news media.

In 1868, the Senate used tickets for the public to try to keep order during the impeachment trial of President Andrew Johnson. But accounts of the trial reflect a less-than-enthusiastic crowd. Galleries were packed, and thousands of people milled just outside the chamber.

"There's a sketch that appeared in Harper's Weekly in which people were knocking each other down to get in, there was such tremendous interest in the subject," Donald Ritchie, an associate Senate historian, said.

But aides to several senators said they had so



Fifty of the 596 gallery seats will be allotted to the public on a first-come, first-served basis. No talking, pagers or cell phones are allowed.

The New York Times

far heard of little heightened interest from constituents for gallery seats. Still, the places are expected to be filled.

Each senator will get one permanent seat for guests in the gallery, and three other seats on a rotating basis. Twenty seats will be reserved for the House of Representatives, nine for the Supreme Court and 20 for the White House, according to a circulated plan. People in seats reserved for the public will be moved out after an unspecified time to bring in new spectators.

News organizations scrambled to reserve seats in the frequently empty Senate press gal-

lery immediately after the House voted last month to impeach Mr. Clinton for allegations stemming from his relationship with the former White House intern Monica Lewinsky.

In addition to the 82 seats in the gallery for the daily newspapers, 16 additional standing-room tickets will be distributed to reporters. The periodical press is to receive 13 seats, and radio and television correspondents get 25. Under current rules, photographers may not take pictures from the galleries. No tape recorders, cellular phones or pagers are permitted in the galleries, officials said, and no talking or disruptions will be allowed.

Israeli Courts and Orthodox Jews Clash Once Again

By Deborah Sontag
New York Times Service

JERUSALEM — The chief judge of the Jerusalem district court has struck a profound nerve with a ruling that undermined the overarching power of the Orthodox Chief Rabbinate to determine who is a Jew.

The conversion issue had been sitting on a shelf in Parliament all year, but the judge's action last week provoked the religious faction there to take it down and dust it off.

The judge compelled the Israeli government to accept and register as Jews people who had been converted to Judaism in Israel by Reform or Conservative rabbis.

What the religious parties want to do is to codify in law the rabbinic's exclusive authority over conversions — at a moment when many Israelis are bridling at the rabbinic's exclusive control over such rituals as marriage.

It is not clear whether Parliament will act now on a conversion bill or will delay a vote until a new Parliament is elected in May. But what is clear is that there is a pattern of outright combat involving the courts, the religious parties and the Israeli public.

In ruling after ruling, the courts are striking at the power and the privileges of the rigorously Orthodox. After each

ruling, the strong religious factions in the Parliament seek to restore that power through legislation. And each punch and counterpunch reawakens the unresolved culture war that episodically rends the fabric of Israeli society.

Given the ferocity of the battle, many believe that it can only end in a showdown in which Israel will be forced to reconcile the contradictions of being the Jewish homeland and a secular democracy.

Some predict that a popular backlash against the new political power of the strictly Orthodox will find expression in laws that disentangle religion and state to some degree.

"As a result of the increasing political power in the hands of the Orthodox and ultra-Orthodox, you're seeing a confrontation pushing Israel in the direction of getting the government somewhat out of the business of religion," Rabbi Isaac Schorsch, chancellor of the Jewish Theological Seminary in New York, said in an interview in Israel this week.

In the last few months, the decisions have tumbled fast and furious from the Israeli courts. In addition to the conversion decision, the courts have recently ordered the inclusion of Reform and Conservative representatives on the powerful municipal religious councils; declared the army service exemptions of

strictly Orthodox yeshiva students to be illegal and ruled that kibbutz shops could be open for business on the Sabbath.

And in each case the religious parties have moved to block the court's rulings, sometimes with not only the backing but also the direct assistance of Prime Minister Benjamin Netanyahu.

Some here have likened the conflict to the dueling between Congress and the Supreme Court in the United States over such issues as civil rights and abortion.

"Isn't this the lesson one recalls from American history?" asked Rabbi Uri Regev, a leader of the Reform movement here. "A recalcitrant Congress motivated by less than noble considerations and a court that emerges as the beacon of light and defender of civil liberties."

But here the core issue, the relationship between religion and state, is central to the identity of the country and of modern Judaism.

It rubs at two key frictions — that between secular and religious Israel and that between different kinds of practicing Jews: the observant but modern, whether Reform, Conservative or Orthodox, and those who dedicate their lives to strict observance of centuries-old Jewish laws.

By their very existence, the courts are a threat to the strictly Orthodox when they rule on religious matters. The laws

they interpret are secular and not religious, and the principles that they uphold are democratic and not theocratic.

But an active court, like the Supreme Court under Chief Justice Aharon Barak, is particularly offensive to religious purists because, in their view, it seeks to mandate a reconciliation of the irreconcilable. Strictly Orthodox Jews argue that submitting Judaism to a civil liberties test subverts the essence of the religion. They believe Judaism to be built on God-given rules that should not be bent.

To the strictly Orthodox, Judaism is both a privilege and a yoke. They see beauty in rigid observance of Jewish law, even or especially when obedience is taxing.

Many feel misunderstood in what they see as their belief in absolute standards, which leads them to consider Reform and Conservative Judaism a dilution of the real thing.

"The modern Jew understands why in baseball the base paths cannot be shortened for the slow runners and the outfield fences brought in for weaker hitters," Jonathan Rosenblum, an Orthodox intellectual, wrote sardonically in The Jerusalem Post, "but not why anyone should ever be told they are not Jewish."

"Baseball is important; its rules are sacrosanct. Judaism isn't."

A Healthy Outlook For Wine Drinkers

Reuters

LONDON — A glass and a half of wine a day could help stave off neurodegenerative diseases such as Alzheimer's and Parkinson's, according to research published Thursday.

Italian scientists, reporting in the British journal New Scientist, said a natural chemical produced by vines and concentrated in both grapes and wine triggers a seven-fold increase in the activity and effectiveness of an enzyme called maphinase. Maphinase stimulates and regenerates nerve cells.

Alberto Bertelli and his team at Milan University said they had tested the chemical, called resveratrol, on human neural nerves and found that it made cells grow small extensions through which they could connect with neighboring cells. He said the process could be replicated in people by drinking a glass and a half of wine a day.

Mr. Bertelli said: "Resveratrol allows the brain cells to get themselves connected to one another again. It is this reconstruction that reactivates the ability of the elderly to remember."

Rebel Chief Casts Doubt On Cease-Fire In Sierra Leone

Reuters

FREETOWN, Sierra Leone — President Ahmadu Kabbah and the detained rebel leader Foday Sankoh ordered an immediate cease-fire Thursday after two days of fighting in the Sierra Leone capital that had left dozens of bodies lying in the streets.

Residents of the battered city greeted the news with euphoria, but their celebrations quickly dissipated as a rebel commander cast doubts on whether it would take effect.

Mr. Kabbah announced that after holding talks with Mr. Sankoh, who had been sentenced to death for treason, the two had agreed to a cease-fire.

Speaking to Reuters Television, the president read out a statement in which the rebel leader said: "Both parties ordered an immediate cease-fire so as to stop this carnage and this foolish destruction of our very limited resources."

Civilians poured into the streets to celebrate. But the rebel commander Sam Bockarie, whose men attacked the capital before dawn Wednesday, questioned whether the truce was authentic.

He told BBC Radio, widely listened to in Freetown, that Mr. Kabbah's word alone of the truce was not acceptable. "If I see him in person," he said of Mr. Sankoh, "I'll take orders."

Mr. Bockarie said his men, reported by Freetown residents to be retreating from counterattacks West African intervention troops, would continue fighting.

Mr. Kabbah had told reporters that Mr. Sankoh would be released after seven days if certain conditions were met. The rebel leader has been on death row since October.

The president was speaking at the Lungi airport, across an estuary from Freetown, where he is sheltering from the fighting.

At least a dozen people — rebels and civilians — were killed Thursday afternoon when a plane of the pro-government Ecomog Nigerian-led peace-keeping force bombed part of the city.

In the rebel-held East End district of Freetown, witnesses said thousands of people had gathered on street corners, many of them dancing, to celebrate news of the cease-fire.

In the West End section, controlled by government and Ecomog forces, one man said: "We have been locked up in our houses for the past two days with very little food and water, and there is now dancing in the streets around our areas."

A senior officer with the West African peacekeeping force that has been battling the rebels said: "We will heed the cease-fire and keep a low profile militarily, while watching developments on the ground closely."

Earlier, Mr. Kabbah said he was prepared to release Mr. Sankoh if he agreed to certain conditions, including an immediate cease-fire, the adoption of the 1996 agreement known as the Abidjan Charter and consultations with the cabinet. Mr. Sankoh said he and Mr. Kabbah had agreed to implement the 1996 accord signed in the Ivory Coast capital that was to have ended years of civil war.

Mr. Sankoh's rebels rallied to a coup mounted in May 1997 by dissident soldiers against Mr. Kabbah. The Ecomog forces restored Mr. Kabbah to power in March.

In the latest fighting, Britain has accused Liberia — a neighbor of Sierra Leone — of supporting the rebels and told it to stop. The United States also said it was urging Liberia to stop the rebels from receiving support through its territory.

Fighting continued Thursday, before announcement of the cease-fire, along the boundary between central and eastern Freetown, with witnesses reporting Ecomog armored combat vehicles, advancing past burning buildings into the East End district.

Residents said retreating rebels had used civilians as human shields after forcing them out of their homes.

Bob Edwards in Edinburgh?

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TRAVEL UPDATE

Greek Air Traffic Control Criticized

ANKARA (Reuters) — Turkey accused Greece on Thursday of failing in its air traffic control responsibilities over the Aegean Sea and said its civil aviation authorities could do the job better.

"It is true that Greece cannot fulfill its technical responsibilities in the Athens Flight Information Region," the Turkish Foreign Ministry said in a statement. "Despite Greece providing a service for only 7 percent of European air traffic, it is on record that it is responsible for 30 percent of the delays."

Hungarian Train Strike Deepens

BUDAPEST (AFP) — The impact of a four-day-old train strike in Hungary deepened Thursday as all international rail traffic to and from the country was stopped, state-run Hungarian Railways said.

Cross-border trains were stopped from midnight Wednesday, three days after the start of the action over wage demands, said Janos Szabo, deputy traffic control manager.

Spanish rail workers began a 24-hour strike at 3 P.M. Thursday in a dispute over pay and conditions, unions said. The state rail company Renfe said 50 percent to 75 percent of trains would run as scheduled.

United Airlines is making Dulles International Airport just outside Washington the base of its East Coast operations, initially increasing by 60 percent the number of domestic flights at the airport by United, the largest U.S. airline, and possibly adding low-fare shuttle service to Boston, New York and Atlanta within a year.

(WFO)

WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.

Europe	Today	High	Low	North America	Today	High	Low	Asia	Today	High	Low	Africa	Today	High	Low	Latin America	Today	High	Low	Oceania	Today	High	Low
City				City				City				City				City				City			
Algeria	29/70	52/61	65	Amsterdam	19/61	51/61	65	Beijing	65/75	65	75	Algiers	29/73	54/61	65	Buenos Aires	23/69	17/62	29/71	Auckland	23/69	17/62	29/71
Ankara	45/58	45/58	65	Athens	51/61	51/61	65	Bombay	25/71	51/61	65	Asmara	29/73	54/61	65	Caracas	23/69	17/62	29/71	Brussels	23/69	17/62	29/71
Antwerp	45/58	45/58	65	Bombay	51/61	51/61	65	Bombay	25/71	51/61	65	Bombay	29/73	54/61	65	Caracas	23/69	17/62	29/71	Brussels	23/69	17/62	29/71
Bombay	19/61	19/61	65	Bombay	51/61	51/61	65	Bombay	25/71	51/61	65	Bombay	29/73	54/61	65	Caracas	23/69	17/62	29/71	Brussels	23/69	17/62	29/71
Bombay	19/61	19/61	65	Bombay	51/61	51/61	65	Bombay	25/71	51/61	65	Bombay	29/73	54/61	65	Caracas	23/69	17/62	29/71	Brussels	23/69	17/62	29/71
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THE AMERICAS

Senate Republicans Cooling to Censure, Fearing Move Is Unconstitutional

By Eric Pianin
and John F. Harris
Washington Post Service

WASHINGTON — Many Senate Republicans have soured on the idea of presidential censure, raising the distinct possibility that President Bill Clinton can avoid any direct punishment or reprimand if he prevails in his impeachment trial.

Just a few weeks ago, Senate Republicans and Democrats and White House officials were seriously exploring options for punishing Mr. Clinton short of removal from office.

But with the Senate moving toward a full impeachment trial over strong Democratic opposition, the air has gone out of the censure drive.

While most Democrats continue to argue that a tough censure resolution — possibly including financial sanctions — would be the most appropriate response to the president's misconduct, many Republicans said in interviews this

week that they believe censure is unconstitutional and a dangerous precedent that could be used in the future.

Moreover, many Republicans said that regardless of the outcome of the trial, they would continue to oppose censure. It could be voted against Mr. Clinton despite acquittal.

"Even if the president were to be acquitted, I wouldn't support a censure resolution, because I think it's unconstitutional," said Senator Robert Smith, Republican of New Hampshire and one of the president's severest critics in the Senate.

Senator Robert Bennett of Utah, one of the few Republicans to openly embrace censure as a fallback, said he worries that Mr. Clinton might otherwise escape any form of punishment. While some Republicans argue that the House impeachment vote itself is far more damning than any censure resolution, Mr. Bennett does not agree.

If Mr. Clinton is acquitted, Mr. Bennett said, "The spinmasters at the White House would then attempt to tell us that this president has been

vindicated." The mounting Senate opposition to censure echoes sentiments in the House, where Republican leaders denied the Democrats a floor vote on a censure resolution last month.

The House voted Dec. 19 to approve two articles of impeachment, charging Mr. Clinton with lying under oath about his sexual relationship with Monica Lewinsky, a former White House intern, and obstructing justice.

In a speech Wednesday, the Judiciary Committee chairman, Representative Henry Hyde, Republican of Illinois, reiterated his view that censure faces constitutional problems.

"The constitution provides one way to deal with a problem concerning cleansing the office, and that is impeachment," Mr. Hyde said.

Sources close to Mr. Clinton's defense agree that the momentum for censure has slowed in recent days. But some White House officials caution that the eclipse may be temporary, the result of being overshadowed by the larger question of how the Senate trial will proceed.

The Senate, unlike the House, does not have a

significant faction of liberals who will reject censure as undeserved punishment. And conservative Republicans who question whether censure is constitutional might soften their stand if they view it as the only way of going on record to condemn Mr. Clinton's conduct. The official White House line is that censure would be a good thing — a way of ending a year of controversy and officially recognizing the inappropriate conduct that Mr. Clinton has acknowledged.

But White House aides have also emphasized repeatedly that Mr. Clinton's willingness to accept censure does not mean he will admit lying under oath — a condition that many censure proponents have suggested.

And some Clinton loyalists say the idea that the president might avoid conviction as well as censure is an appealing prospect — although they insisted that they were offering their own views rather than speaking for Mr. Clinton.

One White House aide said that Mr. Clinton's ability to affect the censure debate is strictly limited. "It's up to Congress to decide what they

believe," said a senior White House official. For now, Republican feelings appear to run high against any form of censure. And even if all 45 Senate Democrats were to agree to a censure, which seems unlikely, they would still need the support of at least 6 Republicans to pass the measure, which may not be easy.

"If the charge is lying to his country, his cabinet and his family, what seriousness could be ascribed to an agreed statement of rebuke like censure?" asked Senator Judd Gregg, Republican of New Hampshire and a foe of censure.

Senator Charles Grassley, Republican of Iowa, said, "The only thing we can do as an impeachment body is vote guilty or not guilty. Doing anything else doesn't fulfill the constitutional process."

Senator Byron Dorgan of North Dakota, a member of the Democratic leadership, said that "there's a fairly widespread feeling" among Democrats that the president should be censured in the likely event he survives his Senate ordeal. But a few are cool to the idea.

Tilt Trains
Are Flawed,
Amtrak SaysBy Don Phillips
Washington Post Service

WASHINGTON — Amtrak's new tilt trains, designed to bring a new level of speed and smoothness to the Washington-Boston corridor late this year, were built 4 inches too wide and will be unable to go around some curves as fast as planned, Amtrak and the Federal Railroad Administration officials have confirmed.

The excess 10 centimeters will force Amtrak to speed up as much as \$12 million in track and clearance projects in order to maintain a new three-hour express schedule between New York and Boston promised under the \$710 million contract for the trains. Sharp curves now hold the route's time to about four and a half hours. The trains are designed to reach speeds of up to 150 miles (240 kilometers) per hour.

David Carol, Amtrak's vice president for high-speed rail, said "there may well be legal issues" with the manufacturer, Bombardier Inc. of Montreal, but the project will not be delayed.

Kim Fisher, a spokeswoman for Bombardier, said the company was mystified by Amtrak's and U.S. government officials' argument that there is a problem. She said that Bombardier believed it had met specifications and that simulations had shown that a somewhat wider car body "will have no effect on trip time."

The contract, announced with great fanfare by Vice President Al Gore in 1996, calls for 20 trains consisting of two locomotives, four coaches, a dining car and a first-class car. With a higher speed and a tilt on curves for passenger comfort, the new train sets will replace the current 125 mile-per-hour Metroliner equipment between Washington and New York, allowing a two-hour and 45 minute trip time.

Although the New York-Washington times are only 14 minutes faster than current times, the new sets are expected to ride far smoother than the current cars. By far the most improved trip times will be on the curvy New York-Boston route.

Mr. Carol said Amtrak officials discovered the width problem after most of the train sets were under construction. He said the first indication of it arose in April 1997. The problem, he said, is that with the extra four inches, the train cannot tilt the planned 6.5 degrees maximum without violating what he called the "clearance envelope." Under what is essentially a disaster scenario, there must be enough room between adjacent tracks that two passing trains could have a total suspension breakdown and lean the wrong way while still passing safely.

Mr. Carol said with the extra width, the cars can tilt only 4.2 degrees and still meet clearance specifications.

One locomotive is undergoing testing at the Association of American Railroads test center in Pueblo, Colorado, and no problems have been found necessitating any basic design changes. Full train-set endurance tests are scheduled to begin in May on the Washington-Boston corridor, and regular service is scheduled to be phased in beginning in October.



Republican members of the House Judiciary Committee walking to the Senate on Thursday to deliver articles of impeachment. From right, the first six representatives are George Gekas, Charles Canady, Ed Bryant, Steve Buyer, Steve Chabot and Bob Barr.

CLINTON: President's Trial Opens and White House Seeks to Bar Witnesses

Continued from Page 1

If witnesses are allowed, the Senate process could last six months or more, White House spokesmen said, interfering with the normal conduct of business by all three branches of government.

It is generally believed that a longer trial, possibly including intimate details of Mr. Clinton's sexual relationship with Ms. Lewinsky, would be more damaging to Mr. Clinton than a truncated process. But Senate Republicans, 18 of whom face re-election in 2000, are also keenly aware that most Americans have indicated in polls that they oppose a protracted trial, and oppose conviction as well.

White House lawyers met late Wednesday with a small bipartisan group of senators to discuss how the trial will proceed.

Mr. Lockhart said later that to speed the trial, the president's lawyers would be willing to accept the documentary record from the independent counsel, Kenneth Starr, without challenge, but only if witnesses were dispensed with.

The 13 House "managers," the Judiciary Committee members who will serve as prosecutors of the trial, have said they believe they cannot properly make their case without calling witnesses, and several Senate Republicans support them.

In a somber White House, the president hosted an education event Thursday. Mr. Clinton has doggedly sought to portray an air of normalcy amid the surreal developments of the past year, and he did so Thursday.

The process at the other end of Pennsylvania Avenue was something never seen by any living senator.

The chamber was gavelled to order at 10 A.M. by the president pro tem, Senator Strom Thurmond. "Senators will be in order," he cried out.

At 96, Mr. Thurmond is the longest-serving (and longest-living) senator, a North Carolinian first elected to the Senate when Bill Clinton was a boy of 8. Yet, the last and only other impeachment trial, of President Andrew Johnson, took place 35 years before Mr. Thurmond's birth.

Mr. Thurmond recognized the 13 House managers — all of them Republican members of the Judiciary Committee — who had crossed from their side of the Capitol to the Senate side as a group. Each of the 13, all of them lawyers,



"William Jefferson Clinton has undermined the integrity of his office, has brought disrepute on the presidency, has betrayed his trust as president, and has acted in a manner subversive of the rule of law and justice, to the manifest injury of the people of the United States." — Henry Hyde, reading from the articles of impeachment.

has been assigned a particular area to focus on in the trial, whether rules and history of impeachment, the handling of witnesses or the presentation of arguments.

The sergeant-at-arms, James Ziglar, then

called for silence from senators and the spectator gallery "under pain of imprisonment" as Representative Henry Hyde, Republican of Illinois and chairman of the House Judiciary Committee, read the articles of impeachment.

Mr. Hyde read the first article, saying that Mr. Clinton, "in violation of his constitutional duty to take care that the laws be faithfully executed, has willfully corrupted and manipulated the judicial process of the United States for his personal gain and exonerated, impeding the administration of justice."

"In doing this, William Jefferson Clinton has undermined the integrity of his office, has brought disrepute on the presidency, has betrayed his trust as president, and has acted in a manner subversive of the rule of law and justice, to the manifest injury of the people of the United States."

Mr. Hyde continued, reading the second article, saying that Mr. Clinton "engaged personally, and through his subordinates and agents, in a course of conduct or scheme designed to delay, impede, cover up, and conceal the existence of evidence and testimony related to a federal civil-rights action brought against him in a duly instituted judicial proceeding."

Mr. Hyde's fellow managers stood stiffly in a semicircle to his right. Senators sat silently as Mr. Hyde uttered the constitutional standard — "high crimes and misdemeanors" — they are to apply in determining whether Mr. Clinton should be removed from office.

Later, Justice Rehnquist arrived and was sworn in by Mr. Thurmond to preside over the trial. "Do you solemnly swear that in all things pertaining to the trial of the impeachment of William Jefferson Clinton, now pending, that you will do impartial justice according to the Constitution and laws, so help you God?" Mr. Thurmond said gravely.

"I do," Justice Rehnquist replied. Thursday was a day of solemnity, with even the most voluble legislators seemingly sobered by the large constitutional and judicial principles at stake, the historical nature of the moment, the underlying question of how an errant president shall be held to account, and how far the powers of the legislative branch extend in doing so.

But the largely political nature of the way this process has unfolded remained clearly in view.

BRIEFLY

A Longer Wait for Medicare?

WASHINGTON — A federal commission working to reform Medicare has raised the possibility of requiring Americans to wait longer before the government begins to pay for their health insurance by increasing the eligibility age from 65 to 67.

The two chairmen and most members of the commission indicated they favor such a change if it were phased in slowly over the next quarter-century. Delaying eligibility is the latest strategy considered by the bipartisan commission, appointed by Congress and the White House, to find ways to modernize Medicare and enable it to withstand the financial pressures once the baby-boom generation begins reaching old age in about a decade.

Commission members acknowledged that postponing eligibility would help the program's financial stability only slightly, because 65- and 66-year-olds tend to be the healthiest patients in the program and to use the least medical care. Nevertheless, members said during a two-day meeting that ended Wednesday that such a change would parallel a gradual age increase Congress already has approved for Social Security benefits.

Senator John Breaux, Democrat of Louisiana, a commission chairman, said most people live several years longer, and thus receive substantially more federal help, than when Medicare, which provides health insurance for elderly and disabled Americans, was established three decades ago.

Several commission members said the idea would be more palatable if the government created some other means to help older people obtain affordable insurance while they waited to join. (WP)

Hillary Clinton Isn't Running

WASHINGTON — Aides and close friends of Hillary Clinton dismiss speculation that she will seek political office, suggesting instead that she will seek an international stage to champion her causes.

There has been increasing speculation in recent weeks that Mrs. Clinton, found to be the most admired woman in America by a year-end Gallup Poll, will run for political office.

Her name has been raised by some as a possible U.S. Senate candidate, with the lead editorial in The New York Times on Tuesday asking "Senator Rodham?" — a reference to speculation she would seek the Senate seat being vacated by Senator Daniel Patrick Moynihan of New York in 2000.

There also have been published reports Mrs. Clinton is interested in running for the Senate from California, Massachusetts or Illinois.

"The only thing I want to say is that she has no plans to run" for elective office, said Marsha Berry, the first lady's press secretary, who has been flooded with queries. "That's really the truth of the matter." (Reuters)

Quote/Unquote

Representative Henry Hyde, chairman of the House Judiciary Committee, introducing the House case against President Bill Clinton in the Senate: "That concludes the exposition of the articles of impeachment against William Jefferson Clinton. The managers request that the Senate take order for the trial." (AP)

Away From Politics

• Postal rates will increase for the first time in four years, raising the cost of the basic first-class letter to 33 cents, up a penny. The increase takes effect Sunday despite four straight, highly profitable years for the post office, which says it needs added cash to buy equipment, cover rising costs and reduce outstanding debt. (AP)

• Aggressive efforts to lower the number of Caesarean sections could lead to more injuries and deaths among mothers and babies, obstetricians warn in the New England Journal of Medicine. In an opinion piece, four doctors at Harvard teaching hospitals in Boston said that pressure from health-maintenance organizations and policymakers was leading some doctors to try vaginal delivery even when the risks are higher than those of a C-section. (AP)

• About 56 percent of all American adults were married and living with their spouses in 1998, according to a report released by the Commerce Department's Census

Bureau. That shows a huge drop in the marriage rate over the past three decades, down from 68 percent in 1970, 62 percent in 1980 and 59 percent in 1990. (Reuters)

• A twice-convicted murderer who said he likely would have killed again had he remained free was executed by injection in Oklahoma. John Walter Castro, 37, was the third man to be executed in the state in a month and the 14th since the

death penalty was reinstated in 1977. He was convicted in the murders of Beulah Grace Sissons Cox, near Stillwater, and Rhonda Peppan, in Ponca City in 1983. (AP)

• All seven of the surviving couplets born to Nkem Chukwu, 27, in December were breathing on their own, officials at Texas Children's Hospital in Houston said. The condition of the five girls and two boys was described as critical but stable. (Reuters)

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ASIA/PACIFIC

At a Shrine Village, Mao Lives!

Even Elsewhere in China, 'New Left' Keeps the Flame Burning

By Erik Eckholm
New York Times Service

NANJIE, China — In the center of this well-kept community stands a giant statue of Mao Zedong, complete with honor guard, that was erected only in 1993 — long after many places had torn down monuments to the late chairman.

Along the surrounding avenues stand tidy apartments and humming factories. Nearly every wall is freshly painted with slogans from the 1960s like "Put Ideology First" and "Let Chairman Mao Thought Radiate Forever."

In an age often marked by an economic free-for-all, the village of Nanjie is a dinosaur: Its farm, its factories, its housing are all collectively owned and managed.

Residents must attend regular study sessions of Mao's teachings, and their take-home pay does not exceed \$30 a month. But each family receives the needs of life free, including identical homes, television sets, flour and eggs, busts of Chairman Mao and a daily

bottle of beer per person. Billed as a socialist success, Nanjie, in the central province of Henan, is often cited as a paragon by China's "leftists" — the dwindling, old-guard Communist critics of China's rush from ideology and state planning.

As an admirer recently wrote, Nanjie is a place of "truly shared prosperity," where people "uphold what is public and spurn what is private."

But the very fame of this strange showcase suggests just how anomalous it is today — and how far those leftists have fallen as President Jiang Zemin leads the country toward a market economy. China remains under authoritarian one-party rule, led by people who do not hesitate to arrest anyone who threatens the primacy of the Communist Party, but who have jettisoned most of communism's economic principles, leaving the remaining "leftists" in despair.

"The fundamental left has lost any influence over Chinese politics and society," said Xiao Gongqin, a historian at Shanghai Normal University.

Unlike Russia, where the economy collapsed and nostalgia for the cocoon of communism is powerful, China's economic boom has largely diluted popular demands for old-line solutions.

But even as the old left fades, new social critics are emerging who are more democratic in their politics but who share many of the left's social ideals and are appalled by the inequalities and corruption of China's "market socialism."

Unlike the beleaguered democracy dissidents, these new critics — sometimes called "new populists" or "new leftists" — have not run afoul of the law. They spend more time dissecting the economy than political trends and they are suspicious of free markets and global capital.

But if the rapid growth that has been China's universal solvent should stall for long, these critics believe that their ideas — speaking to everyday complaints of the common people — could have a broad and explosive appeal.

The old leftists, in Chinese terms, are a mostly elderly group of Marxist intellectuals and retired officials who remain deeply committed to state ownership of key sectors and strong party control over society. They still worry about threats like "bourgeois liberalization" and China's "peaceful evolution" into a capitalist society — code phrases for a steady erosion of Communist principles, abetted by the West.

From the beginning of the reform period started by Deng Xiaoping in 1978 until recently, the leftists' influence undulated, but they remained a key balancing force in Beijing politics, supported by powerful party elders.

Now those elder patrons have mostly died. The current leadership, led by Mr. Jiang, is certainly committed to the Communist Party's monopoly on power. But especially with the program to drastically reshape or sell off state industries, party leaders have abandoned key tenets of socialism, the leftists charge.

The left's chief patron in recent years has been Deng Liqun, a once-powerful confidant of Mao and then Deng Xiaoping who broke with Mr. Deng over ideology.

Deng Liqun is now 83 and in poor health, and the Contemporary China Research Institute he founded in Beijing to propagate leftist views is kept at arm's length by a wary government. A journal associated with the institute, Trends in Contemporary Thought, remains a leading leftist forum, and its editor, Duan Ruofei, has gamely tried to carry on the



For Yao Tonglin, who has lived in Nanjie for 40 years, Mao Zedong is more of a presence than a simple poster on the wall behind her.

battle. In a rare interview at the institute, Mr. Duan was careful to couch his objections to China's path in terms of the so-called Deng Xiaoping Theory — the same vague catch-all that is used by Mr. Jiang to justify his new directions — and did not attack leaders directly.

"We are the real reformers," Mr. Duan said. "The problem is that the upholders of Marxism have a different understanding of reform than certain liberals, who are trying to transform the defining role of public ownership."

"A capitalist class has re-emerged in China," he said.

Mr. Duan and his colleagues suffered a major rout in late 1997, at the 15th Communist Party Congress, when Mr. Jiang formally embraced the wholesale restructuring of state industries.

Over the previous two years, in a last-ditch effort to drum up concern, Mr. Duan and other leftists circulated four unsigned essays exposing what they termed the dire threats to socialism.

The essays showed the anguish of people who felt their deepest beliefs were being betrayed. One, for example, complained of a "newborn capitalist class that has been raised on the blood and sweat of four decades of tireless labor by the whole people."

Today, there is a broad consensus among senior officials and intellectuals that the path toward market economics

is China's best hope. Many of these senior officials, Western-influenced economists and others accept that some hardships and growing inequality may be a necessary price. Corruption is seen as an unfortunate side effect that must be fought.

But a growing minority, part of a new populism, asserts that China's current course is inherently corrupt, enriching the powerful against the interests of the country's workers and peasants.

It is not a unified movement. Some have styled themselves part of a "new left," but many others resist being pigeonholed. Some say there are positive lessons to be gleaned from the disastrous Mao years — and have even made pilgrimages to Nanjie in search of inspiration — while others abhor that era.

But they share many socialist ideals and argue that capitalism and the opening to the global economy, as practiced here, have allowed an alliance of privileged officials and business executives to get rich at the expense of the little guy.

"In the 1990s, the economy has grown rapidly, but in terms of morality, things are really rotten," said Yang Fan, an economist at the Chinese Academy of Social Sciences.

He said in an interview that the country is in the grip of "closet rightists" whose aim is "to convert political power into personal wealth."

Police Chief Resigns Over Anwar Case

By Thomas Fuller
International Herald Tribune

KUALA LUMPUR — The top police officer in Malaysia resigned Thursday, saying he accepted "full responsibility" for the beating of Anwar Ibrahim, the former deputy prime minister.

The arrest, beating and trial of Mr. Anwar on charges of sodomy and corruption has been an emotion-filled trauma for a country unaccustomed to street demonstrations and high levels of public anger.

Abdul Rahim Noor, the inspector general of police, issued a terse, two-paragraph statement before surrendering his firearm.

"The honorable attorney general is of the opinion that the Royal Malaysian Police is fully responsible for the injuries to the complainant while he was in legal custody of the police," the statement said, referring to a government report issued Tuesday.

"I, as inspector general of the Royal Malaysian Police, assume full responsibility in respect to the matter referred thereto."

But opposition leaders expressed dissatisfaction with the move and continued calls for an independent inquiry into the September beating that left Mr. Anwar bloodied and bruised.

"This is not enough," said Chandra Muzaffar, a political activist and professor at the University of Malaya. "There are many unanswered questions. We'd like to know who beat Anwar and what the motive was."

The inspector general had come under mounting criticism over the past 12 months for issues ranging from police brutality to the handling of anti-government demonstrations in the capital last year.

Mr. Abdul Rahim has been the country's top police officer for five years. Syed Husin Ali, head of the Malaysian People's Party, said Thursday that there were "strong reasons for the suspicion" that Mr. Abdul Rahim was "directly responsible" for Mr. Anwar's injuries.

Opposition groups have called for a full accounting of Mr. Anwar's injuries, which shocked the country when they became public. Before he was dismissed from office, Mr. Anwar was the second-highest ranking politician in Malaysia and the appointed heir to the post of prime minister.

BRIEFLY

Indonesia Frees 133 After Aceh Violence

LHOKSEUMAWE, Indonesia — The Indonesian military on Thursday released 133 of the 137 arrested after a week of separatist violence in Aceh and said it had no intention of putting the rebellious province back under its control.

"The military operation status will not return to Aceh, and there are no plans to do so," the chief military spokesman, Major General Syamsul Ma'arif, said.

More than 20 people have been killed in the past week in a rash of violence in the resource-rich province. The military says the unrest was sparked by separatist rebels. (Reuters)

India Party Protests Closer Cricket Ties

NEW DELHI — Members of a rightist Indian party opposed to closer ties with Pakistan dug up a cricket

pitch in New Delhi ahead of the first test match between the two countries in a decade, party officials said Thursday.

About 20 Shiv Sena Party activists entered Ferozeshah Kotla cricket stadium late Wednesday and hacked the ground with shovels. The match, scheduled to begin Jan. 28, would be the first on Indian soil between the two countries since 1989. (Reuters)

Winter Food Aid Goes to Afghans

ISLAMABAD, Pakistan — The United Nations World Food Program said Thursday that it had completed delivery of emergency winter food aid to 120,000 people in central Afghanistan.

The delivery over three weeks was made to people who were facing "a winter of extreme hunger and poverty," a statement by the food agency said.

It said 4,000 tons of wheat and high-energy biscuits had been distributed in the Hazarajat region. (Reuters)

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PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Poisonous Atmosphere

Using the UN to Spy?

Divisions within the United Nations over Iraq have created a poisonous atmosphere in which it can be difficult to determine fact from fiction. That makes caution essential in assessing accusations of misconduct, including reports this week that the Clinton administration may have improperly used weapons inspection efforts in Iraq to augment its own intelligence operations against Saddam Hussein. It is not yet clear that such a violation of UN independence occurred.

Using UN activities in Iraq as a cover for American spy operations would be a sure way to undermine the international organization, embarrass the United States and strengthen Saddam.

Initial news accounts suggest that Washington may have taken advantage of its technical support for inspections to conduct electronic eavesdropping operations aimed at dislodging Saddam. This was supposedly done with the approval of senior inspectors but without the knowledge of the Security Council or Secretary-General Kofi Annan.

While Washington has ample reason to oppose Saddam, using the United Nations to help unseat him through covert means would crudely undermine the organization's autonomy.

But more information will be needed to know whether Washington acted so irresponsibly. For one thing, it

is very difficult to differentiate intelligence collection efforts in Iraq. With the blessing of the Security Council, Washington has long provided UN inspectors with critically important data about Iraq's chemical and biological weapons programs, much of it collected by satellites and other sophisticated listening devices. Because Iraqi security services protect both Saddam's and Baghdad's unconventional weapons, it is likely that some information about him and his inner circle was routinely acquired by American spy agencies as they assisted the United Nations in its search for arms.

Another question is whether the spy work is being distorted by Iraq's allies to humiliate Washington and to discredit the UN inspection team and its leader, Richard Butler. Baghdad would be delighted to see Mr. Butler fired and his colleagues replaced by a more pliant group. That would effectively end any hope of rebuilding a viable inspection system.

Washington did cross a line it should not have if it placed American agents on the UN team with the intention of gathering information that could be used for military strikes against targets in Baghdad. The Senate Intelligence Committee or its House counterpart should look into the American intelligence role in Iraq to determine whether Washington abused its relationship with the United Nations.

—THE NEW YORK TIMES

What Is Annan Up To?

When Scott Ritter resigned as a United Nations arms inspector last August, Clinton administration officials sought to distract attention from his attack on their confused Iraq policy by suggesting — anonymously, of course — that he had spied for Israel. Now UN Secretary-General Kofi Annan and his team have turned on Ambassador Richard Butler, chief of the UN inspectors, and his entire team with similarly pernicious tactics. The principal beneficiary of their gutless play will be Saddam Hussein.

The latest episode began with stories in Wednesday's Washington Post and Boston Globe suggesting that U.S. intelligence agencies had cooperated with, and profited from, the activities of the UN inspectors, known as Unscorm. "Confidants" to Mr. Annan pronounced themselves shocked and horrified by these revelations. "In the most fundamental way, that is what's wrong with the Unscorm operation," one adviser to Mr. Annan told The Post — anonymously, of course. Mr. Annan himself continued the sly undermining of his own UN inspectors in a public statement on Wednesday. "We not only have no convincing evidence of these allegations; we have no evidence of any kind," his statement said. But then it went on to add: "Obviously, were these charges true, it would be damaging to the United Nations' disarmament work in Iraq and elsewhere."

What is going on here? It has long been known that UN arms inspectors cooperated with, and depended on, intelligence from the United States and other member countries. Given Saddam's determination to hide his proscribed nuclear, biological and chemical

weapons capabilities, Unscorm had no choice. But both Mr. Butler, an Australian, and his predecessor, the Swedish diplomat Rolf Ekens, have flatly denied collecting intelligence aimed at undermining or pinpointing the location of Saddam himself. If Mr. Annan or his circle nonetheless had reason to suspect that the cooperation had crossed some line of propriety, they could have raised their concerns in private. Instead they chose to provide public support for Saddam's long-standing harangues against the UN inspectors as "Zionist" or American agents.

Let us not forget: It is the United Nations which demanded, through solemn resolutions, that Saddam Hussein give up his poison weapons. He has spent most of the decade demonstrating his contempt for that demand. You would think Mr. Annan and the Security Council would deem such defiance dangerous and unacceptable. But his team, and countries such as France and Russia, seem rather to be looking for excuses to give way. Denigrating Unscorm provides one such excuse.

Since the Clinton administration offers no coherent plan of its own, it may not be surprising that the United Nations veers toward appeasement. But it is a dangerous game. Mr. Ritter said, and President Bill Clinton agreed, that Saddam could reassemble poison weapons within six months; it has been about five since inspections ceased. The U.S. bombing campaign may have damaged Saddam's missiles, but it probably did not harm his ability to make poison gas or germs. He has used such weapons before, against his own people and others. Is Mr. Annan prepared to live with that danger? Are Americans?

—THE WASHINGTON POST

Other Comment

Money Warps the System

The Christian Coalition claims to represent 13 percent of the American electorate. There is little reason to doubt it. Whatever the number, the group is powerful enough to bring a filibuster on any matter it opposes. That is true to a lesser extent of groups representing the elderly, educators, environmentalists and others.

It isn't that these groups don't have legitimate interests, but they distort the legislative process by wrangling over the smallest issues, leaving Congress paralyzed, the public disgusted and the outcome a crapshoot.

Nothing illustrates what afflicts our democracy so well as this: In our elections, 94 percent of candidates who spend the most money win.

As a result, we politicians have all come to reflexively calculate on every vote, significant or insignificant, first, what 30-second television spot our next opponent can make of it, second, what impact it could have on contributions and third, what interest group it might inflame or please.

Democracy is threatened when the candidates we elect and the laws we enact hinge on how much money is spent. To claim that campaign spending is a legitimate exercise of free speech is to deny the constitutional principle that each one of us counts.

A donor who gives \$100,000 gets a lot more free speech than the assembly-line worker, who cares just as deeply about the issues but doesn't give because he can't afford to, and doesn't vote because he doesn't think his views matter unless his interests happen to coincide with those of the big donors, which they seldom do.

My office was next to the Finance Committee's hearing room. It would be instructive for all Americans to see that room and the hallways — cynically called Gucci Gulch — packed with lobbyists when the committee considers tax bills. Money does indeed buy access, and that is when access pays off.

—Dale Bumper, a Democrat who represented Arkansas in the U.S. Senate and retired at the end of 1998, commenting in The New York Times.

America and China Need to Head Off a Breakup

By Tom Plate

LOS ANGELES — A serious crisis may be brewing in Chinese-U.S. relations. At stake is the Clinton administration's policy of engagement, which absolutely is in the U.S. national interest. The looming issue is whether engagement has allowed China to hoodwink America, and whether the engagement should be called off.

The White House is sooo to receive from the House of Representatives an explosive report that alleges two decades' worth of efforts by China to acquire militarily potent U.S. missile and nuclear technology. The questions raised — whether such technology was illegally transferred or unknowingly handed over by U.S. companies, or whether Beijing is guilty of outright military-security theft — go to the core of U.S. security concerns.

When the president's review of the report is completed, Bill Clinton must be clear about whether China, which denies all charges, has been playing an espionage game while pulling the wool over American eyes with an international public relations campaign.

China poses no great nuclear threat to U.S. territory, but it has been unwilling to forswear the use of force against Taiwan and has a less than stellar record of technology transfer to regimes like Iran's.

Despite the gravity of the charges, the outcome of the probe is likely to be determined by politics. For the Republican majority in Congress, China offers an inviting target, especially with its recent crackdown on people attempting to organize a formal opposition to the ruling elite. Worse yet, the Republican Party's core support includes the religious right and evangelical churches that are ideologically opposed to China on many grounds, especially and profoundly Beijing's state policy of abortion for population control.

The political shroud around this issue makes it harder but no less vital that this congressional effort, headed by Representative Christopher Cox, Republican of California, help America make sense of the thorniest dilemma of U.S.-China policy: How can America and the West help China develop technologically, without also helping it develop militarily? After all, a missile that puts a satellite communications device in the sky is essentially the same deal that can blast anything into the sky, including thermonuclear bombs.

If helping China with technology for peaceful aims inevitably runs the risk of helping it with ambitions more ominous, should America stop virtually all technology transfer?

That would be a serious overreaction. If the end result of the looming congressional report is a restrictive, take-no-chances policy, then a serious crisis will develop in relations between Beijing and Washington.

The premise of any China engagement policy is that isolating China is a solution worse than the problem, because only an economically secure and stable China is a good neighbor for the rest of Asia. The West also benefits from helping China emerge from the dark nightmare of the Mao era's failed economic policies. This includes technology help.

But there is probably no way to help move China in this direction that is risk-free. The key goal of any China policy, then, should be risk management: How can the United States cooperate with China bilaterally, without allowing China a strategic advantage? It is the job of any president to answer that question satisfactorily.

And it is Congress's job to make sure that the China question does not become a political punching bag.

It is to the credit of the Republican leadership on the Hill that this probe has been handed to elected officials like Mr. Cox and Representative Doug Bereu-

Republican of Nebraska, chairman of the House subcommittee on Asia. These are the party's serious players.

Mr. Cox and Mr. Bereuter need to help America frame a policy that encourages Washington and Beijing to develop, in an atmosphere of mutual respect, a joint policy to reduce national security risks.

What past policies or practices, whether open export encouragement or clandestine espionage, is Beijing prepared to drop? What practices or policies within China's legitimate national security interests should America be prepared to accommodate?

This kind of nuanced and vital discussion has no hope of success if, in Beijing, the anti-American hawks become ascendant again, as the recent crackdown on dissidents might suggest. Nor can much good come from the United States if this issue is steeped in the already vile atmosphere of impeachment and made even more rancorous by the approaching presidential campaign.

A sensible bilateral understanding is in the mutual interest of America and China as sovereign states and as responsible contributors to regional peace and stability. As of now, this is not likely to occur.

Tom Plate's Times

Cloning Is Doable, and the Scientists Are Going to Do It

By Daniel S. Greenberg

WASHINGTON — The ethical hand-wringing circuit is working overtime on whether human cloning and other fetal manipulations should be tolerated in civilized society. The reality is that the scientific skills for performing these techniques are widely distributed around the world.

So, no amount of scholarly papers or government regulation in the United States and other countries will prevent the work from going on somewhere.

And once success has been demonstrated, particularly in methods for growing tissues and body parts for transplantation and treatments, demand for medical miracles will overwhelm the fears and warnings of ethicists and theologians.

Scientists in South Korea recently created a stir with a claim of a successful, but deliberately terminated, first step toward human cloning. As with Dolly, the pioneering cloned sheep, and other advances in cloning technique, the Korean experiment came far sooner than other specialists in the field had expected. Like the first Soviet atomic explosion and the first Chinese missile, these things often do come sooner than expected.

Cloning has now been accomplished many times with animals — eight calves from the cells of a cow were recently reported by Japanese scientists. There is no known biological barrier to cloning a human. But it would be expensive, and, at least in the early days of using the technique, the outcome might be uncertain, and possibly horrendous.

There could be a market for human cloning among narcissistic, wealthy eccentrics. The precedent for a pet market has been established by a Texas

couple who have provided \$2.3 million for researchers at Texas A&M University to clone their 12-year-old dog. But a mass market for reproducing full-scale genetic copies of pets or humans appears doubtful.

However, cloning could find another kind of market.

Popular attention has focused on cloning as a technique for genetically reproducing an individual. But the more likely future for human cloning is the production of tissue and body parts that will be genetically identical to the parent and therefore immunologically compatible for transplantation.

In place of today's difficult and often frustrating search for suitable organs for transplant-

ation, cloning and other fetal techniques could provide limitless supplies for desperate patients. Basically it comes down to this: Need a new heart, liver or kidney? Grow your own. No need to go to a full-scale human. With advanced planning, just a wee embryo will do to start the organ growing.

No wonder, then, that whenever the U.S. Congress and the National Bioethics Advisory Commission ponder a ban on cloning, scientists and physicians plead against restrictions, arguing that the research is bound to produce enormous benefits for mankind.

At present, no federal funds may be expended for human cloning or research using abor-

ted embryos. Research may be conducted with private funding. But since federal money predominates in biomedical research, most scientists deem it prudent to abide by the federal guidelines.

The needed laboratory specialists are quite plentiful around the world, many of them, ironically, graduates of scientific training programs in the United States.

America's passion for healthful longevity has become a political force. In Washington, while Congress and the White House talk frugality in federal spending, the one agreed-upon exception is medical research, which has been booming in recent years.

The hopes that science holds out against disease — if money

and freedom to conduct research are forthcoming — are irresistible.

François Jacob, the French biologist, points out in a forthcoming book, "Science has only been developing systematically for about a century. Only 50 years ago did it find its rhythm, become a kind of institution spread throughout the world. It is the product of a new language or languages or religions."

Human cloning is coming. Like it or not, it is unstoppable.

The writer is a visiting scholar in the history of science, medicine and technology at Johns Hopkins University, where he is preparing a book on post-Cold War scientific politics. He contributed this column to The Washington Post.

Finance Stem Cell Research and Enjoy the Benefits

By Daniel Perry

WASHINGTON — It is the kind of medical research news that makes politicians wince and just about guarantees full employment for bioethicists. Three different scientific groups recently have claimed the ability to make living cells that stay young forever and can be transplanted to any part of the body where they might replace tissues damaged by disease or worn out by aging.

Because these magical cells are initially derived from fertilized human reproductive cells, and in one case reportedly from human DNA put into a cow's ovum, this research threatens to inflame a political debate. What the prospect of human cloning did in the last session of Congress, "embryonic stem cells" could do in 1999 and beyond.

That Congress came perilously close earlier this year to passing the first law in U.S. history to criminalize biomedical research is reason for serious concern.

No one who has watched the wreckage wrought by the abortion politics of the past 30 years could possibly look favorably on the legislative chamber as the best place to define what constitutes human life, or when it begins. Elected officials with little or no scientific training are not generally comfortable with issues of cell biology.

Most members of Congress would rather not choose sides when passions are aflame with religious and ethical convictions, and when a wrong move fixed in legislation could derail

biomedical research of enormous value for the future.

Still, the danger remains that overzealous lawmakers could ban the very tools of research America will need to head off a rising tide of cancer, Alzheimer's disease and diabetes as the population ages.

During the next 30 years, the population of Americans above 65 will double to more than 70 million, and half of that number will be above 75. Baby boomers should take note: After age 50 their chances of being disabled by diseases of aging will double every five to seven years.

In purely economic terms, the cost of age-related diseases is staggering. Costs associated with osteoporosis, stroke, depression, arthritis, Alzheimer's, diabetes, cancer and heart disease approach \$600 billion a year. Unless scientists discover better ways to treat, postpone and prevent such disabling conditions, the burden on Medicare and private insurance will be crushing as the baby boom moves into the high-risk years.

Without research breakthroughs, the society will be left with the equivalent of very expensive hand-holding for sick older people.

In truth, today's drugs and other treatment for aging-related diseases simply are not good enough. Even the better versions of current pharmaceuticals are designed to treat only the symptoms of heart failure, arthritis and cancer, not the root causes. But there are signs of a historic shift in new drug development.

We are likely heading toward

a time in which therapies will work by postponing the onset of diseases or preventing them by shutting off their genetic switches. Medicines will be customized to everyone's unique needs and biochemical profile.

Personalized medications would be far more effective and far less likely to carry side effects than too often make matters worse. Human cells themselves will be engineered as therapies, with the potential to produce insulin for diabetes or dopamine in the brain for Parkinson's sufferers where their original cells have failed.

This is the real promise of the embryonic stem cell stories.

It will likely make years of further research, and major technical hurdles must be overcome. Millions, if not billions, of dollars will be required to realize the full therapeutic potential. The first of the 77 million baby boomers will be eligible for Medicare in a dozen years. The government should be actively supporting and advancing research using stem cells and other technologies that hold promise for healthier aging.

The writer, executive director of the Alliance for Aging Research, contributed this column to The Washington Post.

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The Euro as a Catalyst for Asia

By Philip Bowring

HONG KONG — For Asia, the birth of the euro is a catalyst for regional financial change. Already, the first days of the single currency have seen an unusually determined move by Japan to play up the yen's potential role. Japan does not wish to be left behind as the world diversifies out of dollars.

The surge of the yen has been the most significant currency market development in the euro's first week. Some of that is due to an unconnected change in government policy that has resulted in 10-year bond yields rising from the abysmally low 0.8 percent to the merely very low 2 percent. But at least as much has been the result of specific statements — Prime Minister Keizo Obuchi's views on the merits of a strong yen, and Deputy Finance Minister Eisuke Sakakibara's warnings about a U.S. "bubble economy."

Japan has also just unveiled new short-term instruments and tax changes to encourage foreign holding of yen assets.

For Asia, the yen's revival and the birth of the euro are the second stage of a likely three-stage process which leads from a dollar-based world to a tri-polar currency world to a multipolar one in which several Asian currencies, including Australia's, play a significant if subsidiary role in financial markets.

In 1997, the old dollar linkages of several Asian currencies collapsed under the weight of excessive debt and an over-strong dollar. The past year has seen the South Korean won and the Thai baht

regain stability, but in the context of much less direct relationships with the dollar.

Thus they were relatively steady against the dollar last summer when the yen was plunging, but have not surged recently as the dollar has plummeted against the currencies of Japan and, to a lesser extent, Europe.

The second stage is now: realization throughout Asia that currency values, trade domination, foreign exchange reserves and borrowings must be diversified inward euro and yen. That is partly because of the euro and partly because prudence demands diversity of foreign debt.

To cap all this, there is now a suddenly dawning recognition that the dollar may not be a safe haven but a foreign debt crisis waiting to burst. The 1994-1998 dollar hull run seems to be over.

As Asian economies and reserves begin to recover, the process of reducing dollar links will become self-reinforcing. It will be gradual, if only because trans-Pacific trade is so much bigger than Asia-Europe trade. But the shift from the dollar will be helped by liberalization of Japan's financial sector.

The third stage is not a move toward an Asian currency. There is neither the political will nor the economic rationale for that. Any Asian currency system would have to be yen-based, which would be anathema to China. China's closed

and primitive financial system will not be capable of any international role for decades.

The future for the more advanced Asian economies is the kind of diversity of capital markets and convertible currencies seen in pre-euro Europe. South Korea, Singapore, Taiwan, Thailand and (once it stops shooting itself in the foot) Malaysia will see their own currencies used in cross-border capital transactions. Enterprises will sell debt, as they own sell equity, denominated in their national money, not in yen, euros or dollars.

Singapore and Taiwan will see significant volume of debt issues by third parties denominated in their currency. Australia has been a good example for more than a decade of how a medium-size economy can finance itself and allow its currency to be a small player in international capital markets without inviting financial destabilization or needing huge foreign reserves.

If suitable instruments are available, Asian central banks will hold a portfolio of their reserves in these other Asian currencies. Debt markets generally will grow faster than equity markets, and the role of banks will diminish.

The euro itself may, after the initial flush of enthusiasm, have limited appeal for Asia. Europe's long-term growth prospects are limited by its horrendous demographics. But there is no doubt that the euro will stimulate profound changes far beyond the borders of "Euroland." In Asia, those will be beneficial.

International Herald Tribune

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1899: Friendly Spirit

ST. PETERSBURG — The interviews with the Grand Duke Cyril, published in the *Herald*, have excited considerable interest and approval here. Seeing that although that country has no claim on Russia, i.e. has never advanced her money, the United States has received the largest contracts ever given out here.

When Mr. Hitchcock returns from here to take his place in the McKinley Cabinet, he can inform his colleagues that no serious questions have arisen with Russia, and that others have been met with the most friendly spirit by the Russian Government.

1924: Science Sermon

NEW YORK — Dr. Leighton Parks, preaching at St. Bartholomew's Church, asserted that the decision of the Dallas Diocese not to try the Rev. L. W. Heaton for his modernist ideas

is the only thing that has saved the Episcopal Church from a serious split. Several Modernist pastors preached sermons yesterday (Jan. 6) in condemnation of the Creed, and Dr. Percy Sickney Grant urged the preaching of science from the pulpit.

1949: 'No. 1 Fascist'

BERLIN, Jan. 7 — "Taegliche Rundschau," official newspaper of the Soviet military administration, called Colonel Charles A. Lindbergh today a "No. 1 Fascist." It said Colonel Lindbergh was "Hitler's friend and Clay's advisor." Colonel Lindbergh is in Germany on a tour of overseas air installations. He is a special advisor to Air Force Chief of Staff General Hoyt S. Vandenberg. "This friend of Hitler and special advisor of Goering now appears as a special advisor to American Military Government."

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OPINION/LETTERS

Lessons From a Monstrous but Heartening Century

By Flora Lewis

PARIS — Of course, there was never any doubt that it was coming, but it is still hard to believe that this is really 1999. It has been out there, waiting for us, for a long time, but more like one of those things that are always to be expected but never actually happen.

The year 2000 is something else, the harbinger of a new century, a new millennium, full of questions, predictions, new decisions. But 1999 is supposed to mark an ending, a long closure that, after all, turns out uncertain and indecisive.

In terms of world affairs, the 20th century was particularly short, from 1914 when the 19th century's balance of power and faith in progress broke down to 1991 when the Soviet Union and the reign of ideology collapsed.

It was also particularly monstrous, and yet the very disasters that man wreaked provoked measures and convictions to break what had seemed an inevitable pattern of human horror. The illusion of the 1920s that war could simply be outlawed was gone, but so was the myth of war as glory, the noblest calling.

The failure of communism left democracy as the political system and the market as the economic system the clearly preferred theses. But they do not just slip into place when the old systems are gone. What is coming instead, out of confusion and greed in the afflicted countries, looks totally unforeseeable. There is no sign of a new idea, but the old ideas have not started to deliver.

Even democracy, if validated by the end of dictatorships, has lost self-confidence. There are debates about whether or not it is still relevant, in fact, about whether there is any need to be con-



cerned about government. In the United States, 37 percent of voters cast ballots in the last national election, just over one in three, though the Clinton sex scandal had provided all the spectacular drama that crowd-pullers could wish.

Europe found a way to organize itself to make its worst traditional enemies obsolete. Now, 11 countries of Western Europe have pooled their currencies in a single new one, not really the first because gold once served as the common measure of value, but a huge step toward continued integration. They will surely be joined by most of the others in a few years.

The idea that economies can and should be managed, born of the savage excesses and wild cyclical swings in the rise of capitalism, has been challenged once more by proof of the market's

superior performance. But at the same time, the market's arbitrary cruelties spawn new demands for constraints, for protection of workers and the environment. There has to be balance.

There was a vast increase in poverty, primarily because there was such a vast increase in the world's population. And yet, like war, poverty no longer seemed inevitable, decreed by nature and to be endured. It has become possible to provide adequate food for the world's population and to eliminate famines. It takes human will and agreement, which exist in some measure but far from enough.

In terms of changes in the way large numbers of people live, the 20th century was as long as the previous 500 or even 1,000 years. People fly, not to speak of hunkering in outer space because only a

few can do that. They communicate, with sound and image, in total defiance of time and space. They can conserve food and make themselves comfortable despite the climate. They suppress much disease and gorge on pills, so the biblical old age of three score and ten has become less than the ordinary life expectancy in the developed world.

Technological advance has achieved the momentum of a chain reaction. People adjust surprisingly quickly. Change always has costs and drawbacks, but it is welcomed for the extraordinary improvements in material welfare and even just in convenience. Science is admired and encouraged for its own sake, not only for love of knowledge but because there is every reason to think that sooner or later new discoveries will bring new benefits.

Yet, science no longer provides the reassurance it once did that the future can only get better and better. It poses weighty new moral and ethical questions about the beginnings of life and the certainty of death, questions which it cannot even presume to answer. The new capacities it offers are in many ways also new burdens, challenges that nothing has prepared societies to confront.

With the arrival of 1999, it is now clear where this century has been: lots to be ashamed of, some things to be quite proud of: a lesson and a preparation, one has to hope, for doing better. It did show that no invention, no trick, no blind belief will solve the problems people face. For that, it takes people of good heart and goodwill. That seems so obvious that it is odd it took until 1999 for the century to define itself.

Flora Lewis

No Matter What the Polls Say, Adultery Is Still Un-American

By Richard Cohen

WASHINGTON — For a time, I thought America had become more like France. After all, Bill Clinton had achieved post-adultery approval ratings that could hardly be higher, the sort of numbers living presidents earn after a successful war or dead ones get after a revisionist Public Broadcasting Service series.

Maybe, I mused, we Americans would all now develop a taste for snails and fret that our language is being

debased by foreign words. This would not be such a bad trade. Our food would get better and our people more stylish. It is worth considering.

And considering is what I did. This led me, as I feared it would, in the realization that nothing much had changed when it comes to sex. The clues were not in the polls but in the language used to discuss infidelity. With both Henry Hyde and Bob Livingston, for instance, the word "indecency" was employed, as if both congressmen, a bit addled by drink or something else, had done something they otherwise would not do: something totally crazy.

We Americans do not consider adultery part of the human condition — a frailty, a foible — but instead a near-perversion, a virtual taboo. In Mr. Livingston's case, the very admission of adultery was enough for certain Republican congressmen to suggest he was unfit to be speaker of the House, that he had campaigned for the job under false pretenses. It was as if he had committed a crime, and not only did others now consider him unworthy of the speakership, so it seemed did he. He quit and called on President Clinton to do the same.

Indeed, our public adulterers often talk about what they have done as if they were discussing a temporary mental disease, similar to a depression, triggered perhaps by a chemical imbalance. A pattern has emerged: a lexicon, a demeanor and a post-revelation procedure. The lexicon has already been covered. The demeanor, as you might have guessed, is hang-dog sorry — a palpable regret and (here comes the procedure) the announcement that one has sought counseling or will do so.

There are two kinds of counseling: marital and spiritual. Mr. Livingston announced that he had sought both.

In so many ways, he strayed beyond the borders of what many Americans think is acceptable, standard and normal. He sinned. He's a creep. He's sick. Not so. He is, in fact, a literary character.

This is not how such matters are discussed in Europe. France in particular. President François Mitterrand died, publicly mourned by wife and mistress alike.

In America, such a man (or woman) would be denounced as immoral, maybe sick. In France, though, Mr. Mitterrand was seen as just a man. There — as with "woman" — that is not considered merely a noun, but something else as well: a condition.

The Washington Post

LETTERS TO THE EDITOR

The Tiny UN and Its Tasks

Regarding "The UN Is Improving" (Opinion, Jan. 4).

This appealingly positive editorial is marred by repetition of the misjudgment that the UN secretary-general, Kofi Annan, "should cut the United Nations' bloated staff and budget more deeply." Given the range and difficulty of the tasks that member countries try to achieve through the United Nations, it is a tiny organization.

Your readers may be surprised to learn that the UN Secretariat has a staff of 9,000, down from more than 14,000 a decade ago. I was astonished to find what a small organization it was when I joined the staff from the Australian Parliament a couple of years ago. The Secretariat is barely 7 percent of the size of public service of the Australian national government.

Questioning of the cliché about the size of the United Nations is long overdue. When the realities are understood, there might be more pressure to end the tragic illegality of America's failure to fulfill its treaty obligation to the rest of the world through the United Nations.

JOHN LANGMORE

New York

The writer is director of the Division for Social Policy and Development in the UN Department of Economic and Social Affairs.

Time for an Overhaul?

As one who studied constitutional law in the United States in the middle of the century, I must conclude after recent events that the hallowed work of the founding fathers tencore and twelve years ago is due for an overhaul.

When the acrimony subsides and things get back to normal, we shall certainly be hearing that the American democratic system has again shown its strength. The opposite is true; it has revealed some disturbing weaknesses. The best that can be said of the present turmoil is that members of Congress seem to be groping for some alternative, albeit in a constitutional vacuum.

Parliamentary democracies are far from perfect, but at least they offer a better chance of coping with political showdowns in a civil manner. There is no need for character assassination and protracted legal wrangling.

There was no way for the good people assembled in Philadelphia in September 1787 to foresee Web sites, tapes and television. They would have been horrified had they known to what purposes their great work would be used. Had they known, they might have sat down

and prepared another draft. It is up to their descendants to adapt the constitution to changed circumstances.

TORE BOGH

Cascais, Portugal

Milosevic's Defense

Regarding "NATO Warns Both Sides as Kosovo Tensions Rise" (Dec. 24).

The NATO supreme commander for Europe, General Wesley Clark, is quoted as saying that in Kosovo "the stepped-up police activities were not in accordance with [Slobodan] Milosevic's pledges in an Oct. 12 agreement." Attempts to bring in men and arms from Albania require a stepped-up police watch. Mr. Milosevic cannot be expected to give up defending the province from those who want to cut it off from his country.

MICHELLE COURTNEY

Paris

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Leisure

A Space Exploration Head for Toulouse and Go Into Orbit

By Craig R. Whitney
New York Times Service

TOULOUSE, France — This city of ancient pink-brick churches and stately homes on the Garonne River in southwestern France may be noted for foie gras, but it is just as proud to be the aerospace capital of Europe.

The first regularly scheduled airline flights in France took off from the Toulouse airport in the 1920s, and now long-range passenger planes of the Airbus consortium are assembled in a vast hangar in the suburb of Colomiers; the National Center for Space Research has been centered in Toulouse for 30 years.

When the mayor, Dominique Baudis, launched an air and space museum, La Cité de l'Espace, which opened on the eastern outskirts of the city in mid-1997, he hoped it would attract 160,000 people in its first year.

"We wanted a place where the general public could come to learn what space exploration was all about, and how it's done," said Jean-Noël Plachez, who worked with the mayor and conceived the museum's exhibits, overseeing their design and construction in a little more than three years.

La Cité de l'Espace succeeded beyond their wildest dreams. In its first 18 months, nearly half a million visitors have flocked to see it, spending an average of five and a half hours a visit, lingering over scores of interactive computer displays that let you find out what it is like to program the launch of a satellite into orbit, how satellites are maneuvered in space and how they send the information they gather back to Earth.

Mechanical displays give a realistic sense of how difficult it must be to close a valve on a space station in conditions of weightlessness, or how easy to lose a satellite in space by putting on a burst of speed at the wrong point during a launch.

Life-size structural models abound, both inside — where a huge Soho solar observation satellite hangs in midair — and in the grounds outside, and you can walk through part of the Mir orbital station built by the Russians. The dials and controls look curiously like something you might find in a car, not high-tech at all.

As Mir is replaced in space by the new international space station whose first two stages have now been assembled, the museum will develop exhibits on that, too.

The idea behind the museum is that people will come out of here a little more intelligent about space, than when they came in," said Bernard Burel, the general director.

La Cité de l'Espace may indeed make you feel smarter, though it is an enormous help if you can read French. There are bridged explanations of the static and interactive displays in English and other foreign languages, including Catalan, that you can listen to with headphones. Computer programming that will allow fuller explanations over the headphones may take some time.

But there is a lot you can figure out even without the language. If you are a 55-year-old child like me, you may find illumination in the simplest displays, such as the tilted globe moving in a circle like the Earth's orbit around the sun, represented here by lamps that show how the planet's inclination on its axis creates the seasons.

More complicated displays show, for example, how satellites using radar measurements of the ocean's surface can determine wave heights, and thus wind speeds, and how global positioning satellites tell you precisely where you are on the ground.

'ENTIRELY NEW'

"I was very impressed," said Valentine Abdy, the European representative of the Smithsonian Institution, who is intimately familiar with its National Air and Space Museum in Washington. "I expected to see a pale imitation and instead what I discovered was something entirely new and original, dealing with the problems and realities of space."

If La Cité de l'Espace is a teaching tool, it is also terrific fun, as Plachez showed while demonstrating, with the benefit of a clever optical illusion, how easily he seemed able to leap half his own height in the feeble gravitation of the earth's moon.

The moon finally came to the museum on Dec. 10, 1998, when a moon rock brought back on the Apollo 15 mission by the astronaut David Scott was put on display until March 7, 1999. On loan from the National Aeronautics and Space Administration, the rock is the centerpiece of a series of temporary exhibits on the moon and the American rockets and space vehicles that first put astronauts onto its surface 30 years ago.

Most of the space hardware on view is European, with the two biggest pieces being the Russian Mir station, sold to the museum indirectly by authorities of the cash-starved Russian space program for \$1 million, and a model of a towering Ariane 5 rocket developed by the European Space Agency and its partners in France and elsewhere to launch private satellites at \$80 million a whack.

But, say officials at La Cité de l'Espace, NASA gives most of its obsolete hardware to the National Air and Space Museum.

"We would like to have more American objects on display," Burel said. "The greatest space power in the world isn't well represented here, and it ought to be."

Nevertheless, John Glenn is here, biographically, in his Mercury Friendship 7, as is Yuri Gagarin in Vostok 1. And when Glenn went aloft again in the space shuttle Discovery in October, the museum showed the launching live on a giant screen.

Originally planning a museum of sculpture on the site, in an open plain near the city's first airport, Toulouse set its sights on space instead in 1994, forming a semipublic company that raised more than \$27 million to finance the museum.

About half the money came from funds provided by the city, various state ministries and agencies and the Midi-Pyrénées regional council. The rest came from other founding members or associates, including the European Space Agency, the National Space Study Center, Aerospatiale (the French component of the Airbus consortium), Matra Marconi Space, the national gas and electricity utilities, and Météo France, the national weather agency.

Now, with an operating budget of around \$5.5 million a year, the challenge, Plachez says, is keeping the exhibits up with the fast-changing environment the museum represents.

Overenthusiastic schoolchildren also take a toll on sensitive toys and the interactive displays, and keep the small maintenance staff, in black jeans and dark-blue windbreakers, on the run.

The central part of the building, behind a striking metal screen that resembles a deep space radio telescope, has three levels. You start by passing a scale model showing various satellites orbiting the earth, beginning with the space shuttle and going further out in space to geostationary communications satellites at 36,000 kilometers (22,500 miles).

UP, UP AND AWAY Interactive displays further along explain how all those satellites get up there, and what they're used for. One of the first is a "satellite table" that challenges you to launch a little red satellite and observe the shape of the orbit achieved by applying or not applying speed at various points in the trajectory with a booster — one of 170 such interactive devices visitors come across; this one teaching a bit of celestial mechanics.

A little farther on, you



La Cité de l'Espace opened on the eastern outskirts of Toulouse in mid-1997.

choose your own rocket launcher and satellite, program the launch on a computer, and then go inside a realistic-looking control room to watch, on large monitoring screens on the wall, blastoff and entry into orbit, all in real time, though the images are of course films or computer simulations.

As you move along, holograms of actors playing key scientists from Isaac Newton to Albert Einstein and Werner von Braun can be summoned up to tell you what their discoveries meant for space exploration, and a little about their lives.

The choice of Von Braun, who used to do this sort of thing on Walt Disney television shows before the Eisenhower administration drafted him to help the United States catch up to the Russian Sputnik with the launch of the first American Explorer satellite in 1958, initially caused some controversy. Some visitors thought the museum let him off too easily for his work on the killer V-2 rockets built

by the Nazis during World War II with the help of forced labor at the rocket research center in Peenemünde.

A model of Sputnik hangs over the stairs to the second floor, which explores the uses of satellite observation of Earth, with demonstrations of what satellites have discovered about vegetation, tidal action, ozone levels and winds, and how they are used to forecast the weather.

HERE was the clearest explanation I have ever seen of how photographic images in space are converted into digits for transmission to Earth and then reconverted into pictures, and I understood for the first time how satellites using radar can scan the ocean's surface and produce an approximate picture of the sea bottom — the surface is full of bumps and dips that roughly mirror the ones thousands of feet below, it seems.

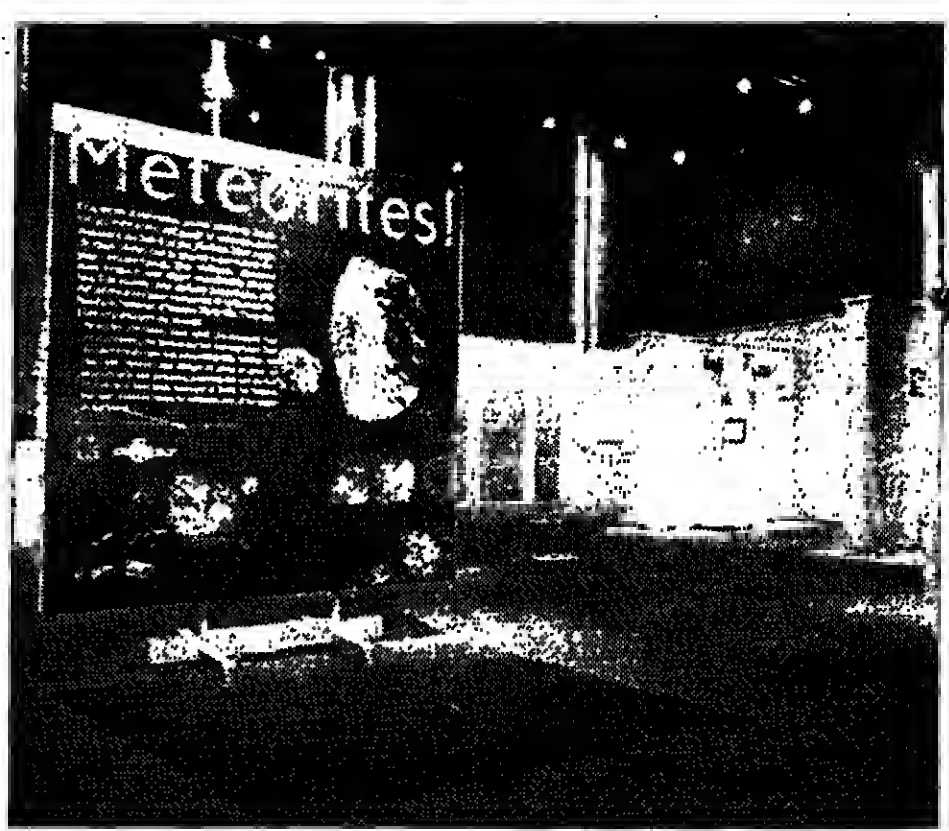
The top floor focuses on exploration of the universe. Here are fascinating close-

ups from fly-bys of the moons of Jupiter, and explanations of how the Hubble Telescope has changed notions of the age and size of the cosmos.

On the ground floor again, the Planetarium (reserve a seat for a showing when you buy your tickets) takes you on a quick virtual tour of the solar system and the galaxy, using an American Digistar 2 three-dimensional projector with some seats that recline, almost horizontally for a better view. A simulated collision with an asteroid acts as an alarm clock for those who need one.

The small museum shop is full of toys, models, souvenir meteor fragments, books and even "space wine" from the Domaine de Ribonnot nearby, a red that costs about \$10 a bottle.

La Cité de l'Espace is open daily except Mondays from 9:30 A.M. to 6 P.M., 7 P.M. on weekends, holidays and in the summer. It is open Mondays as well during school holidays.



The museum has a host of interactive-computer and mechanical displays.

DINING



Ducasse IV: A Mixed Bag Questioning the Classics

By Patricia Wells
International Herald Tribune

PARIS — Alain Ducasse, with a total of six Michelin stars to his name, cannot afford to lose. With the recent unveiling of Spoon Food & Wine — his fourth restaurant in France — it is clear that he is on a roll. The man who has attempted to redefine how a grand French chef behaves (he defies the old rule that a chef's place is behind the stove) and to prove how long his arms can stretch (regular flights between his three-star restaurants in Monaco and Paris, with weekend appearances in his retreat at Moustiers, in Provence) is now redefining the modern concept of world food.

When would one ever pronounce in the same breath the words "luxurious, refined and audacious" with "iceberg lettuce, BLT and pastrami on rye"? But they all apply to his newest effort, a small and smart spot right off the increasingly upmarket Champs-Élysées.

Spoon is perhaps France's first truly international restaurant, dipping into French, British, American, Italian, Chinese and Indian cuisine, with a décor that turns heads and, again, attempts to question classic traditions.

Rather than with tablecloths, tables are dressed with cloths that slip into slots, like elegant table runners. Some 70 magazines from around the world are there for guests to read, and notepads and pencils are set at each table to jot down one's thoughts. Along with knives, forks and of course spoons, each diner receives an elegant pair of Christofle bamboo chopsticks, which I never saw anyone use. Although the restaurant advertises a "free" second cup of coffee and warm steamed towels at the end of each meal, we were offered neither.

The menu is not organized in a normal first course, main course, cheese and dessert progression. Each section is divided into three columns, allowing diners to mix and match according to the main dish, the sauce, and rice or vegetable accompaniment. And in this era of something for everyone, the menu is bilingual French-English, with Asian and vegetarian dishes, and everything from pastrami sandwiches to South American *cachiche* to Chinese steamed ravioli.

Half the wines on the list come from America, with a fine showing from Australia and New Zealand, a true "happening" in France. And the cheese course (rather than the classic Brie, Camembert and Roquefort) consists of Philadelphia Cream Cheese, Cheddar and Stilton.

But the proof of the pudding is in the eating, and on that front Ducasse has a way to go. Some of it is not his fault. Truth be told, the public is not all that ready for such a reshuffling of the status quo. On a recent evening the well-heeled international crowd appeared downright confused as to how to order and how to eat. After studying the menu, the youthful Spanish couple at my left asked the waiter to order for them. They then asked that their white wine be put into "a real ice bucket" instead of the plastic ice-cube-less version. The iceberg lettuce served to them in a tall, elegant glass bowl was instantly transferred to a common plate for more practical eating.

UP-TO-DATE METHODS

Ducasse and his chefs use every method of cooking available — grills to roasts, rotisserie to woks, cooking over a hot stone, modern induction and even vacuum-packing — but the results at the moment are less than brilliant.

On our recent visit, everything that came from the kitchen looked and tasted very dry, and was by and large lukewarm. Even the wok-seared vegetables had that soggy, stewed airline quality about them. And though I am all for choosing what I eat and when, we are not always the best judge of what garnish goes well with each dish. The best finds on that visit included a full-flavored *yum yum* soup, full of spice and laced with squid and shellfish, as well as designer macaroni gratin, rich and plump, with plenty of real cooking liquid to pour over it. Less successful were the very dry, tasteless grilled squid served with a perky sauce of crushed preserved lemon, and a dry roasted steak cooked on the rotisserie.

With seating for no more than 70 and tabs that inch toward 500 francs (about \$90) with a decent bottle of wine, this is not the sort of cuisine that is going to keep Ducasse at the top. The concept reminds me of a model for a worldwide chain. But I am sure Ducasse has already thought of that.

Spoon Food & Wine, 14 Rue de Marignan, Paris 8. Tel: 01-40-76-34-44; fax: 01-40-76-34-37. Closed Saturday and Sunday. All major credit cards. A la carte, 200 to 300 francs.

The Fading Tradition of Tang the Toymaker

By Mia Turner

BEIJING — In his cramped workshop, smelling of glue and lined with wood shavings, Tang Qiliang makes the toys his family has created for four generations. He is China's Geppetto, devoted to his work despite the fact that it brings him little income. But unlike Geppetto, Tang's Pinocchio will never dance on stages or sing for him. Instead, at 80, the Beijing toymaker is struggling to keep his toys from dying.

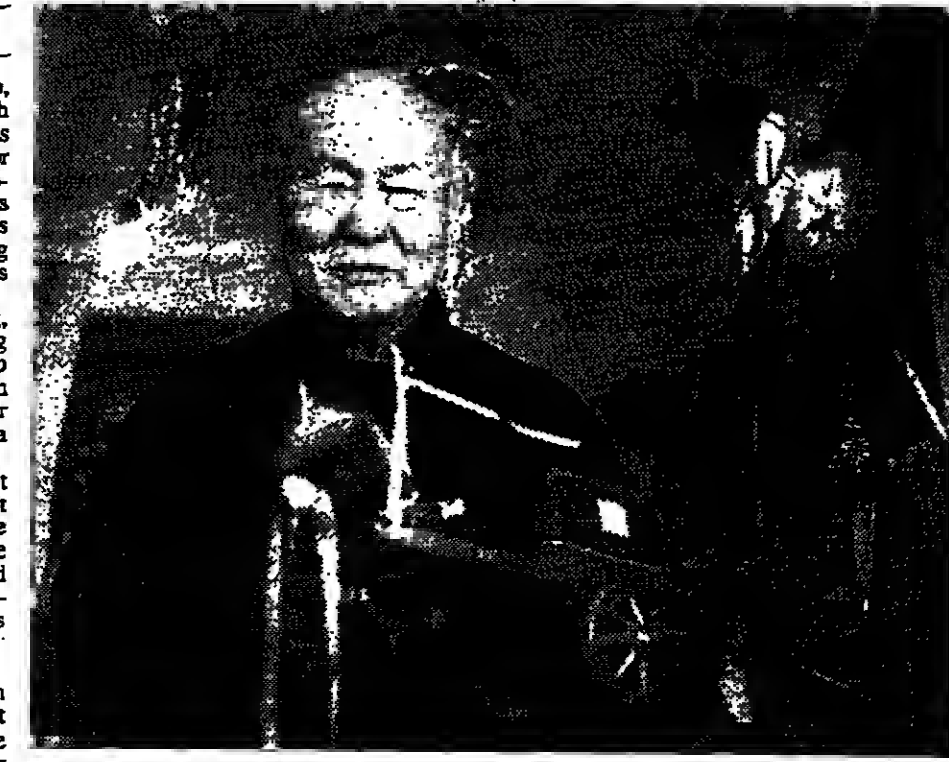
Tang is one of 50 such craftsmen in Beijing, the oldest of whom is 85. He fears he is among the last. "I would teach anyone for free how to make these toys," he says. But even his son and grandson are not interested. His son, for instance, earns more money working in a Beijing coal factory.

And Tang's failing eyesight is a sign that the end of his craft is near. "These are the last of their kind," he says of the carefully made wooden and papier-mâché toys that line the shelves in his small home on an old courtyard in central Beijing, which he shares with another family. "Children still love my toys when they see them," he says proudly.

COMPUTER GENERATIONS Most children only get to see them once a year, however, at the local temple fairs held during the Chinese New Year when artisans emerge to sell their toys. In an era of video and battery-operated games, the marketability of Tang's toys is limited. Toy shops in the capital won't sell them. And in the toy department of the capital's Sicech Plaza the biggest selling items are Legos.

"Parents want toys that make their children think," says Zhang Xihui, an employee at the Sicech mall. He says many parents will pay as much as 1,370 yuan (\$167) for a Lego set, no small sum in a city where monthly salaries average 1,000 yuan. They also want toys that are absolutely safe, he adds. Tang's handmade wooden toys, which today are often roughly made because of his poor eyesight, might not be able to provide that guarantee.

Liang Zuwang, general secretary of the



Tang Qiliang in his workshop in Beijing. "These are the last of their kind."

Beijing Toy Association and an avid toy collector, says that traditional toys still have a role to play in China. "Computer games don't develop the imagination of children no matter how much stores insist that what is new or imported is better," he contends. Chinese kites and paper lanterns have the added advantage of getting children outdoors, unlike toys that have them sitting in front of a screen or slouched in an armchair.

His 12-year-old grandson, Liang Zhan-zhan, disagrees, however, and prefers playing computer games. "The generations aren't the same, so the toys aren't the same," he says with a shrug.

Like Tang, the elder Liang insists that tradition must be preserved. Tang's creations, which are replicas of toys that date from the Qing Dynasty (1644-1912), all have a story to tell. They are meant not only to delight, but also to teach children about their culture's history and values. Tang's colorful horses and carriages are steeped in memories of ancient legends of emperors. "Video games don't tell you anything about history," he says.

Like the slow disappearance of his traditional toys, Tang's life reflects the fading history of this city. One of the few Manchus still living here, he recalls when the city had a strong Manchu presence. His forefathers ar-

rived in Beijing in the 17th century as members of the Blue Banner group, a battalion of soldiers who protected the Qing emperor.

As a way to supplement a soldier's meager income, his great-grandfather began making toys, a craft that was at one time dominated by toymakers of Manchu origin, Tang asserts. It became a vocation that his father passed on to his descendants.

When he was 10, Tang began learning the trade from his father. He also continued his father's practice of getting his toys to markets around the city. But in 1958 private businesses were banned by the government and Tang was forced to abandon his livelihood; he was given a job in a Beijing toy factory, where he worked until his retirement in 1979. Then he returned to his private workshop.

TANG'S life reflects the enormous changes that have taken place in modern China. He proudly tried to preserve his Manchu heritage, but in the chaotic decade of the Cultural Revolution he had to hide his origins to survive, deflecting the bands of fanatical Red Guards wreaking havoc around the country by claiming that he was Han Chinese.

"I burnt our family's genealogical book just in case," he remembers with sadness. It was his last monument to his Manchu roots. No tangible proof remains of his family's heritage except his toys, and now even those are condemned to disappear.

Before they are gone, however, Liang, of the toy association, is busy collecting them. He has scoured China for toys like Tang's, and already has more than 1,000 pieces from around the country, including contemporary ones. He hopes to open a small museum in his home one day to display his collection. "They have to be preserved," Liang asserts.

When he is not making toys, Tang can be found selling them outside his courtyard house on Guozijian Street near Confucius Temple in Beijing. Telephone: (86) 10-6400-2303.

Mia Turner works for Time magazine in Beijing.

MOVIE GUIDE

THE THIN RED LINE

Directed by Terrence Malick. U.S.
A thrilling sense of déjà vu accompanies the lush Edenic images that provide "The Thin Red Line" with its prologue in paradise. Even if they could be watched without knowledge of their provenance, they would be instantly identifiable as the work of Terrence Malick, whose 1970s "Badlands" and "Days of Heaven" were two of the most beautiful and elusive films of their time. Malick's subsequent two decades in cinema limbo may have turned him into a figure of hype-inviting mystery, but it's immediately obvious that they have not dimmed his visual genius. Here is a visceral reminder of all that made his past work so hauntingly majestic, even if this movie's difficulties will soon announce themselves with equal clarity. Intermittently brilliant as it is, "The Thin Red Line" shows why being a great film director and directing a great film are not the same. Having envisioned an adaptation of James Jones' famous Guadalcanal novel since at least 1988, Malick has had time to drift far afield of his original idea and into something hazier. Though its starting point was a book full of gut reactions and detailed particulars, Malick has moved the material to a different plane. Disjointed poetic effects and ravishing physical beauty now supplant the nuts and bolts of wartime experience. As filmed magnificently by John Toll, "The Thin Red Line" seems to capture every blade of grass gloriously while also reminding the audience over two and three-quarter hours how very many blades of grass are here. Nick Nolte joins Sean Penn, Elias Koteas and Woody Harrelson as stars who manage to emerge with strong personalities intact. But no one here has a role with much continuity, since the film's editing shows off the performers to such poor advantage. "The Thin Red Line" will as easily fascinate those attuned to Malick's artistry as it might disappoint anyone in search of a plot. "The Thin Red Line" is one more film that could have been helped by excising repetition and focusing performances, but it wanders almost randomly instead. The heart-piercing moments that punctuate its rambling are glimpses of what might have been. (Janet Maslin, NYT)

EL ABUELO

Directed by Jose Luis Garcia. Spain.
Jose Luis Garcia won the 1982 best foreign film Oscar for "Begin the Beguine" and he's back now with "El Abuelo" (The Grandfather), an engrossing and luscious adaptation of a tale by the Spanish writer Benito Perez Galdos. The plot concerns an eccentric aristocrat who returns broke from the Americas to his native northern Spain at the turn of the century, where he locks horns with his



Rafael Alonso, left, and Fernando Fernan-Gomez in "El Abuelo."

widowed and defiant daughter-in-law. She has had two daughters, one by an extramarital affair, and the grandfather desperately wants to know which of the charming two young girls is his true descendant. Fernando Fernan-Gomez, a nearly revered Spanish veteran actor who sports a flowing white beard here, offers a commanding portrayal of the grandfather, full of wisdom yet bedeviled by the search for the truth. The daughter-in-law, played by Cayetana Guillen Cuervo, is credible but not nearly his on-screen match. That void is filled by Rafael Alonso, another veteran, playing the tutor of the two girls in his final appearance before his death last October. The scenes between the two old men on the windswept verdant cliffs of Spain make an indelible print on the emotions, adding humor just at the right times. The characters who comprise the town's small-minded and greedy elite add spice to the plot, and even the two young actresses as the girls are an added delight. The result is film lasting two-and-a-half hours, slow by the standards of action-packed American movies, but here weaving a magnificent spell on the viewer. The Spanish Film Academy has submitted "El Abuelo" as its candidate for a best foreign film Oscar. (Al Goodman, IHT)

LOVE IS THE DEVIL

Directed by John Maybury. U.K.
Which is more interesting—an artist's art or his private life? When it comes to the English painter Francis Bacon (1909-1992), who is the subject of a new film

biography, writer-director John Maybury weighs in on the side of his private life. The lurid details of which are explored—but without illumination—in the visually stylish but ultimately obscure "Love Is the Devil." Some of this lopsidedness is due to the fact that Bacon's estate did not allow the filmmaker to use any of the artist's actual works in the movie. What's strangely missing in this story of a great but troubled artist is the art itself. What's left is the tawdry but closely observed tale of a man for whom friends seem like so many tubes of paint to be squeezed dry and then discarded in his notoriously cluttered studio. The chief victim of his low regard is George Dyer (Daniel Craig), a Cockney burglar seduced by Bacon (Derek Jacobi) with the blunt (and unlikely) line "Take off your clothes," when the painter encounters him in his studio in the middle of the night. Lo and behold, the two become an item, lasting some seven years. I hesitate to use the term "lovers," since affection seems to have little to do with their relationship. Dyer caters to Bacon's tastes for pain and rough sex, while Bacon returns the favor by condescendingly introducing the low-class Dyer to the supercilious toffs he drinks with. Jacobi's physical transformation into Bacon is remarkable—he has his scowling, penetrating eyes and the down-turned mouth of a man who has tasted something bitter. The uncanny likeness, however, is all the more frustrating because the chilling impersonation affords little insight into what made this monster tick. (Michael O'Sullivan, WP)

THE FREQUENT TRAVELER

Challenges for the New Year

By Roger Collis
International Herald Tribune

WHAT are my predictions for travel in 1999? Your crystal ball is as good as mine. The Asian financial collapse last year, followed by crises in Russia and Brazil, earned the economic pundits a reputation for perfect hindsight. In Europe and North America, we're still waiting for the other shoe to drop.

Whether the seller's market that airlines and hotels have enjoyed until now—with high load factors and occupancy rates—will shift to a buyer's market this year, is an open question. But don't expect business travel to get cheaper any time soon. Analysts predict that passenger numbers will grow by about 6 percent—slightly less than available seats. But airlines will be able to maintain high business fares as they consolidate their market dominance through alliances and code-sharing, in which one airline sells tickets on its partners' flights. Arguable benefits to travelers are better connections, a wider choice of destinations and "seamless" transfers. But unless market forces increase competition, the only sign of better deals are lower costs for carriers.

There is still competition—between alliances. Look out for more consolidation this year as airlines join one or another of the major groups. There are: Star Alliance of Air Canada, Air New Zealand, Ansett, Lufthansa, SAS, Thai Airlines, United Airlines and Varig; One-World of American Airlines, British Airways, Canadian Airlines, Cathay Pacific, Finnair and Qantas; and Qualiflyer Group of Swissair, Crossair, Austrian Airlines, Delta Airlines and Sabena.

New alliances are announced almost every day—BA, Cathay Pacific, Iberia, Japan Airlines and LOT Polish Airlines; Northwest Airlines and Continental; American and USAir; Singapore and China Airlines; Air New Zealand and Singapore. And a bewildering release from Swissair the other day about "Swissair Express: a new look for code-share flights," whereby "Swissair and Air One of Italy will now fly Zurich-Venice and Zurich-Bologna routes using a Debonair aircraft in a special 'Swissair Express' livery." You can never be sure that the airline you book, or think you've booked, is the one you will actually fly. Moritz Suter, president and chief executive of Crossair, Swissair's regional subsidiary, said, "Travelers are about to be cheated again."

Airline alliances are nothing more than monopolies," he said. "We are in the Qualiflyer group because of Swissair. But I'm not allowed to compete any more against a guy in the same alliance. I don't know what's going to happen, but I don't think alliances will last too long."

Upgrades—one of the most sought-after benefits of frequent-flyer programs—could be one of the first casualties of airline alliances. The problem for "elite" frequent flyer members is sharing scarce upgrade seats with travelers belonging to partner programs. Some alliances prohibit "cross upgrades." Murray Greenfield, a reader in Tel Aviv, writes to complain that Swissair refused to redeem a reward for miles earned on Delta, its alliance partner. When he remonstrated with Delta, Greenfield was told that his "free" ticket would cost nearly twice as many miles as the same ticket issued by Swissair anyway. So much for reciprocity.

Meanwhile, expect air fares in Europe to rise by at least 6 percent—especially in the front cabins. Business-class fares in Britain are higher than ever (typically more than twice the price of unrestricted economy fares). Premium fares across the Atlantic from Britain are 25 to 30 percent higher than from cities in Continental Europe, although you'll find the best discount fares in London. The good news is that such no-frills carriers as Ryanair, EasyJet, Debonair, Virgin Express and British Airways Go offer a growing network of cheap one-way fares among more than 30 destinations. This is the thin end of the wedge for major high-cost carriers as business travelers forgo spurious frills for cheap fares. BA admits that it is losing business to its low-cost clone.

Demand for hotel rooms in Europe will remain strong, particularly for mid-range properties with rates increasing by 4 to 6 percent as travelers look for value in the shadow of a feared recession. In the United States, Michael Boulton, director of supplier relations at Rosen-

bluth International, says that unrestricted domestic air fares could increase by 4 to 8 percent, while restricted fares could rise 1 to 5 percent. Travelers to Europe will pay 3 to 5 percent more than in 1998, while those flying trans-Pacific routes can expect to pay 5 to 7 percent less. Hotel and car rental prices could increase by 5 to 8 percent, mainly because of consolidation and less competition.

Business travelers in the Asia-Pacific region will also face increases in air fares and lodging in 1999. "While Asia-Pacific cannot be seen as one story, 1999 will be a holding year where economies try to re-establish their basics and build a pattern for growth," said Clint Cable, general manager of supplier relations at Rosenbluth in Sydney. "Companies that took advantage of 1998's lower air fares and hotel costs may see price increases of 3 to 5 percent this year."

Most major airlines in the Asia-Pacific region survived the 1998 economic crisis by restructuring routes, to remove surplus capacity and cutting operating costs. Some carriers are now cutting agency commissions and dropping direct deals with companies.

Carriers are desperate to maintain yields by holding prices for premium fares.

HOTELS HOLD STEADY "Hotels in most cities, such as Sydney and Taipei, are still holding steady," Cable said. "Only new hotels seem to be offering specials. Capacity in the hotel market has increased, but it probably will not lead to additional savings for business travelers because it is only meeting current demand. In cities where hotel prices dropped dramatically in 1998, such as Hong Kong and Bangkok, the feeling is that rates will not drop any further. The business-travel market has not decreased in Asia-Pacific—it remains quite strong; and the crisis has forced businesses to look for new markets and connect with new customers."

This is reflected in the American Express Asia-Pacific Airfare Index for the fourth quarter of 1998, which shows a fare increase of one percent—a hit more for business class—in the last three months. Promotions still offer bargains, but carriers are desperate to maintain yields by holding prices for premium fares.

The challenge for business travelers is to beat the system. Roger Collis can be reached by fax at (33-4) 93-74-77-92.

ARTS GUIDE

BRITAIN

EDINBURGH National Portrait Gallery, tel: (131) 332-2266, open daily. To March 7: "Prophets and Pilgrims: Ruskin, Proust and Northern Gothic." The Victorian art critic and the artist John Ruskin (1819-1900) had a great influence on several 19th-century figures, such as Proust, who translated Ruskin's works into French. The exhibition displays drawings and watercolors.

LONDON National Gallery, tel: (171) 747-2885, open daily. To March 7: "Zanotti Strozzi: In the Light of Fra Angelico." Brought together with several paintings by Fra Angelico, works by Zanotti Strozzi, one of his pupils. The centerpiece is the 15th-century painter's "Annunciation." www.nationalgallery.org.uk

CHINA

SHANGHAI Shanghai Museum, tel: (21) 6372-3500, open daily. Continuing To Jan. 31: "Zao Wou-Ki: Sixty Years of Painting." Abstract oils by the Chinese-born painter reflecting European and Chinese influences.

FRANCE

LILLE Palais des Beaux-Arts, tel: 03-20-06-78-00, closed Mondays. To March 14: "Goya: An Incomplete Journey." On loan from European, American and Mexican collections, 60 works by the Spanish painter (1746-1828). They include religious scenes commissioned by the Spanish court and clergy, portraits of Madrid high society, still lifes and tapestry cartoons.

PARIS

Institut Neerlandais, tel: 01-53-

59-12-40, closed Mondays. To Feb. 14: "Rembrandt at Amsterdam." From his walks through the streets and along the river of Amsterdam, Rembrandt (1606-1669) brought back drawings and etchings. More than 40 works are exhibited with works by his contemporaries.

MUSEE GALERIE DE LA SALLE, tel: 01-45-56-50-17, closed Mondays and holidays. To March 7: "Kokoschka: Peintures et Oeuvres sur Papier, 1908-1931." Portraits and landscapes in the early paintings, drawings and watercolors of the Austrian painter (1896-1980). www.salle.fr/musee

GERMANY

FRANKFURT Museum für Kunsthandwerk, tel: (69) 212-34037, closed Mondays. To Feb. 28: "The Southern Neighbors: Early Ceramics and Bronzes From Vietnam." More than 80 early Vietnamese ceramics and bronzes from German, American and British collections.

HONG KONG

Hong Kong Museum of Art, tel: (852) 2734-2167, closed Thursdays. To Jan. 31: "Contemporary Portraits: Architecture, Sea, Stone and Space." Models and photographs document how 10 Portuguese architects integrate and transform the concepts of modernism, functionalism and postmodernism in their designs.

ITALY

MILAN Palazzo Reale, tel: (02) 8991-5738, open daily. To March 14: "L'Anima e il Volto." Investigates the interpretation of the relationship between the mind and the face, from Leonardo's heroic man to Francis Bacon's mangled flesh.

The exhibition features 300 Italian and European artworks.

VENICE Palazzo Grassi, tel: (041) 522-9875, open daily. Continuing To May 16: "I Maya." Six hundred items trace the development of the Maya civilization in Central America and Mexico. www.palazzograssi.it

JAPAN

KASAMA, IBARAKI PREFECTURE Kasama Nichido Museum of Art, tel: (258) 72-2160, closed Mondays. To Jan. 17: "Shiko Murokawa." Prints by the Japanese woodblock printmaker (1903-1975).

NETHERLANDS

AMSTERDAM Rijksmuseum, tel: (20) 673-2121, open daily. To March 14: "Adriaen de Vries, Imperial Sculptor, 1558-1626." Fifty bronzes and 25 drawings and prints by the Dutch sculptor whose work was commissioned by Emperor Rudolf II in Prague and other European royalty. The exhibition will travel to Stockholm and Los Angeles.

SPAIN

BILBAO Guggenheim Museum, tel: (94) 435-9000, closed Mondays. Continuing To March 7: "Robert Rauschenberg: A Retrospective." Paintings and sculpture by the U.S.-born artist. www.bm3.es/guggenheim

UNITED STATES

MIAMI Bass Museum of Art, tel: (305) 673-7530, closed Mondays. To Feb. 21: "Maxim Kantor: From Russia's Past." Twenty paintings by the Russian artist (born 1957). Kantor's

MADNESS

ON THE COUCH

Blaming the Victim in the Heyday of Psychoanalysis
By Edward Dolnick, 294 pages. \$25. Simon & Schuster.

Reviewed by David Brown

THE term "medical science" is common parlance, but in truth medicine has been a science for only a small part of its 2,500-year history. The experimental design of clinical research—randomized controlled trials to test therapy, and prospective controlled studies to test theories of causation—did not become common until after World War II. In Lewis Thomas's felicitous phrase, medicine is the "youngest science."

For most of its history, medicine was exclusively a narrative art. The patient told his story and the physician listened, examined and treated. The physician then

retold the story to colleagues and students, with special attention to his interpretation of the illness and his account of the outcome. In everything from rounds in teaching hospitals to case reports in medical journals, this narrative tradition is still an important part of medicine.

But it is not without hazard, and it can do great damage. That, among other things, is the lesson of Edward Dolnick's fascinating "Madness on the Couch."

The book tells the story of grievous mistakes made this century by the branch of medicine last to recognize the value of scientific inquiry: psychiatry. The agent of the mistakes is one of mankind's most influential narratives: Freudian psychology.

Beginning with "The Interpretation of Dreams" in 1900, Sigmund Freud constructed a system for understanding nearly every aspect of human behavior. His theory explained child development and adult decision-making.

BRIDGE

By Alan Truscott

THE December tournament of the Greater New York Bridge Association is now named for Edgar Kaplan, a great figure in the world of bridge who died in 1997. His contributions to the game at the local, national and international level were immeasurable.

On the diagramed deal in the 1965 Springfield Knockout Team Championship, he held the East cards, with his favorite partner, Norman Kay, sitting West.

A club lead would have insured defeat of the four-heart contract, but West naturally led the unbid diamond suit. South would have survived if he had played low from dummy, but he erred slightly by finessing the jack. This was covered by the queen, and South won with the ace and played the heart ace.

The appearance of the queen was good news and bad news: There was a sure trump loser, but a good chance of keeping West out of the lead. South continued trumps, losing the fourth round to East. After a shift to a spade, the declarer would have won and led a diamond. That would have put Kay to the test. To prevent South from playing the eight and making his contract, he would have had to put in the ten, an unusual second-hand-high play. But Kaplan did not permit that possibility to develop. He returned the diamond four, for-

cing his partner to play the ten. Now South was helpless: If he won with the king, he would be cut off from the last diamond in the dummy. If he ducked, West would be able to shift to clubs and defeat the contract.

WEST
♠ K J 10 6 5 2
♥ Q
♦ 10 8 2
♣ 9 7 4

NORTH
♠ Q 8 7 3
♥ 6
♦ K J 8 7
♣ K 10 6 5

SOUTH (D)
♠ A
♥ A K J 7 4 3 2
♦ A 5 3
♣ 8 2

East and West were vulnerable

The bidding:
South West North East
1♣ 2♣ 2♠ 2♠
2♥ 2♥ 3♠ 3♠
3♥ 3♥ 3♠ 3♠
4♥ 4♥ 3♠ 3♠

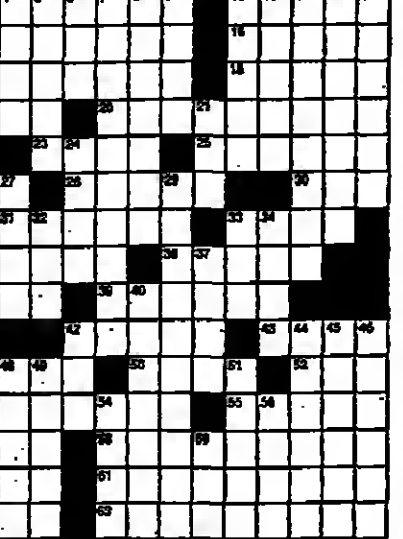
West led the diamond two.

CROSSWORD

ACROSS
1 Big name in basketball
10 File up
15 Steps up
16 Pastry filler
17 1882
18 "Dear" (1991 thriller)
19 Blue bloods
20 Some landing sites
22 "Under a Glass Bell" writer
23 It's a sin
25 "Julius Caesar" setting

26 Thousand-plus pages
27 Kabab
28 Fuse
29 1940s Florida role
30 Mr. Muscles
31 Words repeated in "I" meet
32 Musical Mitchell
33 PC key
34 Kind of reaction
35 Public address system?
36 Sales force
37 City northwest of Syracuse
38 Court records

DOWN
1 Trees with sawtooth-edged leaves
2 Umberto II was 22 last king
3 Aha
4 Leave alone
5 Oxford University closed since 1328
6 New York's former Building
7 They have their ears close to the ground
8 Monk, perhaps
9 Singer Young
10 Suffix with sea or moon
11 Number 18
12 Easily detached
13 Uttered
14 Had a hunch



© New York Times/Edited by Will Shortz

Solution to Puzzle of Jan. 7

SETS	DORIC	UN
UNIT	BOLL	AREA
UNIT	CONAL	SARG
PARTIES	NATIVE	REIGRES
NOBS	REIGRES	FROM
EXHUMING	AGE	
STUMBLING	QUE	KARAT
TREBS	HANDTACKLE	
WAO	SPACED	
PALM	SPACED	
REBUZZ	TRUD	
COULET	WATER	
ACME	TRIER	MILA
DEUS	EATAT	FOED
TEIR	REISTS	CODE

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INTERNATIONAL

U.S. Fighter Jet Fires On Iraqi Radar Site

Attack Followed Challenge in 'No-Flight' Zone

By Steven Lee Myers
New York Times Service

WASHINGTON — An Iraqi anti-aircraft battery challenged a U.S. fighter jet patrolling northern Iraq once again Thursday as President Saddam Hussein's government pressed on with its defiance of American-led enforcement of "no flight" zones over northern and southern Iraq.

The Pentagon said an F-16 patrolling northern Iraq attacked in self-defense after the battery pointed its radar at the fighter jet, evidently in preparation to fire a missile.

It was not immediately clear whether the missile fired by the F-16 struck the battery, the Pentagon said, citing cloudy weather, but the jet and other American aircraft patrolling the area returned unharmed to their base at Incirlik, Turkey.

Clinton Plans \$7 Billion for 'Star Wars'

By Steven Lee Myers
New York Times Service

WASHINGTON — Sixteen years after President Ronald Reagan envisioned a "star wars" program, the Strategic Defense Initiative, to protect the United States from ballistic missile attacks, President Bill Clinton plans to pledge about \$7 billion over six years to build a limited missile defense system, although he will leave a final decision on whether to build it until later, officials said.

Mr. Clinton is not expected to decide whether — and how — to build a system until the summer of 2000. And at this point, no one has proved that such a system will work.

But the officials said the decision to set aside money in the Pentagon's budget now was meant to underscore the administration's political commitment to the idea and to head off growing criticism from Republicans in Congress that Mr. Clinton was not doing enough to defend the nation from a missile strike.

Since Mr. Reagan unveiled his dream of creating an impenetrable shield against nuclear missiles in 1983, the United States has spent \$55 billion trying to develop a workable weapon — so far to no avail. But never before has any money been put in the budget actually to build one.

The money, which officials put at roughly \$7 billion, is part of the more than \$100 billion in new spending Mr. Clinton is expected to propose giving the Pentagon between now and 2005 when he submits his budget to Congress next month.

The White House and Pentagon declined to discuss the spending proposal Wednesday, but the chairman of the Joint Chiefs of Staff, General Henry Shelton, signaled the administration's intent at an appearance Tuesday before the Senate Armed Services Committee.

General Shelton said the Pentagon had the resources to continue to develop the program. The administration is "also putting money into the program so that at the time that we have the technology, if in fact the threat justifies it, then we could go ahead with the fielding," he said when questioned about Mr. Clinton's commitment to a missile defense system.

The system being developed and tested is a more shadow of the space-based network of satellites and lasers that Mr. Reagan envisioned to knock out even the largest Soviet nuclear strike.

The Pentagon officially abandoned that concept in 1993 and has since concentrated on using ground- or sea-based missiles to intercept perhaps a few missiles launched either accidentally from a superpower like Russia or deliberately by a hostile nation like North Korea.

Even with a pledge of money, the effort remains burdened with economic, technological, political and diplomatic problems.

The system faces a pivotal test in June. The program's developers, led by the Boeing Co., plan to launch a dummy missile from Vandenberg Air Force Base in California and try to destroy it in space over the Pacific Ocean with an interceptor missile fired from Kwajalein Atoll in the Marshall Islands.

Three more tests are scheduled next year before Mr. Clinton makes a decision to build the system. Previous tests of interceptor missiles have failed, as have tests of shorter-range missiles, like those in the troubled Theater High-Altitude Area Defense program, or THAAD, run by the army. But officials at the Pentagon express confidence that a limited system may at last be technologically at hand.

Lieutenant Colonel Richard Lehner, spokesman for the National Missile Defense Program, said Wednesday, "Those of us who work in the program are very confident we're going to have a working system, and we're going to have it soon."

Republicans in Congress have long wanted to revive at least part of Mr. Reagan's original vision. Faced with legislation mandating the creation of a national system, Mr. Clinton promised to proceed with research for three years and decide in 2000 on whether the threat justified building a system by 2003, a policy referred to as a "three plus three."

Others said the White House and Pentagon had concluded that the threat from intercontinental missiles from hostile nations was growing, noting North Korea's test of a three-stage missile on Aug. 31.

The strike occurred Thursday morning about 25 kilometers (15 miles) northwest of Mosul, a city inside the northern "no flight" zone, near an area where Iraqi forces fired surface-to-air missiles at U.S. jets Dec. 28.

The United States and its allies created the zone in the north in 1991 and the one in the south a year later in order to protect ethnic populations from repression by Mr. Hussein's forces. They did so citing the authority of the United Nations resolutions imposed as a condition for ending the Gulf War.

The skirmish Thursday was the fourth since the United States and Britain carried out four days of air and missile strikes, starting Dec. 17.

Since the air raids, Iraq has increased its defiance of the UN resolutions.

On Tuesday, U.S. jets fired on Iraqi MiGs for the first time in six years, but they missed. In that incident, Iraq sent 13 to 15 jets into the zone in the most serious challenge yet.

Officials in the Clinton administration have sought to downplay the military significance of the incursions, saying that a handful of aircraft "daring" into the restricted zones, as one put it Thursday, posed no real threat to U.S. or British patrols.

But some of the Iraqi jets have ventured more than 100 miles into the zones, succeeding in making a gesture of defiance, if nothing else.

The threats have also forced the United States and Britain into a defensive position, having to react to the cat-and-mouse provocations on Iraq's time, not theirs.

At a meeting Tuesday of the Armed Services Committee in Washington, Senator John McCain of Arizona expressed frustration that the administration was not doing more to respond to the Iraqi provocations, saying it was unconscionable to put American and British pilots at risk without bombing Iraqi airfields.

"Rather than put our pilots into harm's way, do you think it's time we took out the airfields and the aircraft that are coming out and challenging our air assets in direct violation of the cease-fire agreement?" the Republican said.

The chairman of the Joint Chiefs of Staff, General Henry Shelton, responded by saying that the Pentagon already had plans "on the shelf" to strike Iraq again "if the president were to see fit to take that type of action."

In the latest incident Thursday, a Roland anti-aircraft battery, built by a French and German company, targeted the F-16, but did not fire its missile.

The British defense secretary, George Robertson, warned Thursday that Iraq faced further "decisive action" if its forces continued to threaten U.S. and British jets over the "no flight" zones.

"We remain ready," he said in London, "and if action is necessary, it will be taken and taken without notice."

Mr. Saddam vowed that Baghdad no longer would recognize the no-fly zones after the air and missile strikes in December, which were ordered after Iraq refused to cooperate with UN weapons inspectors.

The southern zone stretches from the border line with Kuwait, Saudi Arabia and Jordan to the 33d Parallel just south of Baghdad.

The northern no-fly zone is above the 36th Parallel.

Gulf Foreign Ministers to Meet

Foreign ministers of six Gulf states will meet Sunday to coordinate their positions before a meeting on Iraq later this month, Reuters reported Thursday from Abu Dhabi, quoting the United Arab Emirates news agency WAM.

Foreign Minister Rashid Abdullah Naimi of the Emirates will lead the conference of Gulf Cooperation Council.

The meeting is expected to be held in Saudi Arabia.

The council is comprised of representatives from Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

French Academy Vetoes 'Euroland'

New York Times Service

PARIS — The French Academy officially advised Thursday that "Euroland" was not the proper word, in France at least, for the group of 11 countries that have introduced the euro as their new common currency this year.

Call it "the euro zone," the Academy decreed Thursday; after all, is the United States "Dollarland?" Is Britain "Sterlingland?"

"The Academy advises against the use of 'Euroland,'" the august "Immortals" advised in a communiqué Thursday, "because it is not the name of a sovereign state or even a confederation, but simply the area of application of a treaty."

Leaders in France keep saying that the euro will finally enable Europe to stand up to the dollar in currency markets, so they did not want the new money to be a Trojan horse for another Anglo-Saxon linguistic invasion of France.

So French-speakers had to act fast if franglais was not to sabotage the currency project from the start.

What effect the Academy's ruling will have remains to be seen. The Bank of France, the Academy pointed out, used euro zone, but starting this year many of the functions of the Bank of France will be handled by the European Central Bank based in Frankfurt.



Police in Cape Town arresting a Muslim who was part of a group protesting U.S.-British air strikes against Iraq.

Envoys Going to Libya, Mandela Says

Compiled by Our Staff From Dispatches

PRETORIA — A South African and a Saudi Arabian will fly to Libya within days to try to negotiate the surrender of two Libyan suspects in the 1988 bombing of a Pan Am jetliner, President Nelson Mandela said Thursday.

Mr. Mandela made the announcement at a news conference with Prime Minister Tony Blair of Britain. They both expressed confidence that an impasse that has prevented the suspects from being tried in a third country could be broken.

Mr. Blair said that there had been progress "on an issue that some people thought was completely impractical."

The Downing of the New York-bound airliner over Lockerbie, Scotland, on Dec. 21, 1988, killed 270 people.

Mr. Mandela said Saudi Arabia's am-

bassador to Washington, Prince Bandar bin Sultan, and the director-general of Mr. Mandela's office, James Gerwel, would fly to Libya in the next few days to hold discussions with Libyan officials. Mr. Blair had tried to limit his comments to generalities and grumbled when Mr. Mandela announced the pending mission.

Mr. Mandela has already played a key role in convincing the United States and Britain to support a neutral venue for the trial and has relayed the proposal to the Libyan leader, Colonel Muammar

Gaddafi, with whom Mr. Mandela maintains close relations.

Earlier, Mr. Blair signed an economic pact with the South African deputy president, Thabo Mbeki, the man expected to succeed Mr. Mandela as president.

The two men signed a declaration of intent on industrial cooperation, which

could see up to 40 billion rand (\$7 billion) of British investment in South Africa. No details were released, but the investment is related to South Africa's military re-equipping.

The British firms Westland and British Aerospace have been named as preferred suppliers for four maritime helicopters and 24 Hawk jet trainers, respectively. British Aerospace's Swedish partner Saab has also been named as the preferred supplier for 24 Gripen jet fighters. (AP, Reuters)

Radical Muslims Protest Visit

South African policemen fired stun grenades Thursday to disperse a group of about 300 radical Muslims protesting Mr. Blair's visit and last month's joint U.S.-British air strikes against Iraq. Reuters reported from Cape Town.

ASIA: Markets From Seoul to Singapore Stage Strong Rallies

Continued from Page 1

Mr. Overton noted that in Hong Kong, the Hang Seng index rose even after China issued an unexpectedly bleak prognosis for its economy in 1999.

The Chinese government said that lackluster demand would weaken its domestic economy, while the regional crisis would cause its export growth to falter.

"The negative implications of these problems for this year's economic performance should not be underestimated," the government said.

How did Hong Kong, which depends so heavily on China, react? Investors drove up the Hang Seng 4.5 percent, to 10,693.57 points.

Analysts said shareholders were more focused on a cut in local interest rates, which was expected to be announced Friday by the Hong Kong Association of Banks.

In Jakarta, investors were distracted from Indonesia's economic calamity by a new state budget proposed by President B.J. Habibie. Economists said Mr. Habibie had devised a realistic plan to deal with Indonesia's stagnant economy, spiraling inflation, and weak currency.

Beyond these local factors, analysts noted that Asia's stock markets were now largely propelled by external forces, such as rate cuts in the United States and the strengthening yen.

"The turnaround of the yen has been a big help for the rest of Asia," said Dong Tao, a regional strategist at Credit Suisse First Boston in Hong Kong. "It has reduced the risk of currency volatility in the rest of Asia, which has allowed markets like Hong Kong to cut their own interest rates."

Yet some analysts wonder how much

more Asian countries can rely on rate cuts to jump-start their economies. In the past three months, Hong Kong has cut rates four times, Singapore three times, and Thailand more than a dozen times. Even with rock-bottom rates to Thailand, economists said the government has not been able to reignite consumer demand or corporate investment.

Moreover, many experts doubt that the yen will maintain its strength. The yen has been bolstered in recent days by the launch of the euro, which has diverted some investment capital from the United States to Europe. On Thursday, the dollar finished in Tokyo at 110.88 yen, the lowest level in more than two years.

But Mr. Sargent predicted that as the novelty of the euro wore off and the extent of Japan's economic ills reemerged, the yen would resume its downward

ward spiral, reaching an exchange rate of 140 yen to the dollar by late summer.

To some experts, the most damaging potential side effect of the rally is that it could breed complacency on the part of Asian governments, prompting them to delay or even shelve needed economic reforms.

"Legislators and decision makers may conclude that they don't have to act," said Jim Walker, the chief economist of CLSA Global Emerging Markets in Edinburgh.

Mr. Walker noted that the Japanese stock market experienced a similar rebound after Japan's economic collapse in 1989 and 1990.

Several months later, after Tokyo failed to deal with the country's mushrooming financial crisis, the Nikkei surrendered its gains and plunged to new lows.

CHINA: Police Aide Held in Graft Inquiry

Continued from Page 1

Group for Cracking Down on Smuggling that operated under the State Council. In 1995, he became deputy minister of police.

Mr. Li is also believed to have had some responsibility for controlling the vast network of businesses run by the Public Security Bureau, which like the Chinese Army and secret service, operated thousands of enterprises, from karaoke halls and brothels to factories and golf clubs.

Starting in July, Beijing ordered the military, police and secret services to divest themselves of most of these enterprises and to get back to defending, policing and protecting the country. It is unclear how successful the divestiture has been.

Mr. Li is a longtime police veteran. He began his anti-smuggling fight in 1993, when he appeared on a government list of officials working for the Leading

Group for Cracking Down on Smuggling that operated under the State Council. In 1995, he became deputy minister of police.

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EURO: Interest in Joining the Currency Zone Grows in Sweden, Denmark and Britain

Continued from Page 1

weeks, including that of Trade Secretary Peter Mandelson, a leading advocate of British entry.

As a result, attention in Britain remained focused on the slowing economy, which prompted the Bank of England on Thursday to cut its key interest rate by a quarter point, to 6 percent. The cut, the fourth reduction in as many months, was broadly welcomed by financial analysts but criticized as insufficient by some business and union leaders.

John Monks, leader of the Trades Union Congress, said concerns that the pound might weaken against the euro could be slowing the pace of rate cuts. Even with the cut, he noted that the British rate remained twice as high as the 3 percent rate in the euro zone.

The rate cut signaled that Britain was "still on track for continued easing, and hence to continue with the convergence process toward Europe," said Giles Keating, a senior economist at Credit Suisse First Boston. Mr. Cliffe said rates could fall to 4.5 percent by the end of the year because of the sluggish economy and the absence of inflationary pressures.

The Danish central bank also eased monetary policy Thursday, lowering its repo rate to 3.75 percent from 3.95 percent, because of the recent stability of the krona.

In Sweden, speculation about an early entry to the euro lifted the krona by about 1 percent on a trade-weighted basis, and it sparked a rally in Swedish bonds.

The Danish central bank had pushed

rates up sharply in September to defend the krona from turmoil in global markets while euro-zone currencies were unaffected. That illustration of the benefits of the euro, combined with glowing reviews about the currency's launch, have contributed to a sea change in public opinion.

"All of the news about the euro has been positive for the past three months," said Lars Anell, a senior executive at the automaker AB Volvo.

By contrast, corporate Sweden has been shaken by restructuring and mergers that have heightened a sense of insecurity on Europe's periphery. Volvo itself is the subject of heated takeover speculation, although Mr. Anell de-

clined to comment on reports it had appointed an investment bank to find a partner.

Sweden has recently lost the headquarters of the paper company Stora AB and of Nordbanken because of mergers with partners in Finland, which is part of the euro.

"The companies are moving outside of Sweden because Sweden is outside of the euro," Mr. Nyman said.

"There is a fear of being marginal-

ized."

Still, governments are wary of committing to a referendum just yet because that will give opponents a chance to focus on issues like sovereignty, said Mr. Anell, a former Swedish ambas-

In Paris, a Call on Bonn to Soften Budget Demands

Reuters

PARIS — Jean Glavany, the French farm minister, on Thursday urged Germany to moderate its demands concerning the European Union budget and warned of crisis in Europe if the dispute was not resolved.

"We cannot rule out a crisis scenario," Mr. Glavany said in an interview. "It would be regrettable, harmful and incomprehensible at a time when the euro is being launched, the Amsterdam Treaty ratified and foreign policy and common security strengthened."

He said Germany, which holds the rotating European Union presidency for first half of 1999, must moderate its demands if it wants to broker a deal, Germany is

pushing to cut its hefty contributions. "There is a German problem over the financing of the Union," Mr. Glavany said. "Let's recognize it. But it is up to our German friends to ensure they are not making excessive demands, particularly if they want to get a deal under their presidency."

The farm minister also had tough words for Britain, which is trying to hold on to a special budget rebate won by former Prime Minister Margaret Thatcher.

"They should not think this rebate can go on for ever," he said.

EU leaders have set a March deadline for agreeing on EU financing changes. But discussions have bogged down as

IRAQ: Admission by U.S.

Continued from Page 1

itary officers, diplomats and other professionals serve on the commission.

The United States included some intelligence officers, using diplomatic cover or other professional identities, to gather intelligence independently, according to the officials.

Intelligence officers typically perform their cover jobs while spying in their spare time.

The U.S. officials did not say how many American intelligence officers served on the commission or describe their precise roles.

The disclosure that American spies had worked as inspectors came after The Boston Globe reported that American intelligence agents had used the team as a cover to spy on President Saddam Hussein. The Washington Post also reported that the commission had worked with American spy agencies to collect intelligence that was used to undermine Mr. Saddam.

U.S. officials also said that Scott Ritter, an American who served as a UN inspector, was misinformed when he said that the United States had taken over a UN intelligence-gathering operation in Iraq.

UN officials said they had no evidence to support such an accusation.

A senior administration official said: "Uncom does not have an indigenous intelligence capability; that was provided by member states. The information gathered was used to help break Saddam's concealment effort, and the information was passed on to United Nations Security Council members."

In an interview, Mr. Ritter, a former U.S. Marine Corps intelligence officer, raised the question of whether the inspectors improperly aided U.S. intelligence in ways that threatened the inspectors' independence or opened them up to charges of spying for Washington.

U.S. officials said Wednesday that Mr. Ritter was describing a secret U.S.-assisted UN intelligence program that he did not fully understand.

Mr. Ritter said the inspectors had developed "methodologies," which he refused to describe, that helped them understand how Iraqi security services concealed arms programs. These security services and concealment methods were also used to protect Mr. Saddam, he said.

Mr. Ritter said his inspection team "had a tremendous success using these methodologies" in March. A few weeks later, he said, U.S. officials approached Richard Butler, the Australian who is chairman of the UN commission.

"In April, the U.S. went to Butler and wanted to take over a certain portion of the system of how we track these weapons," Mr. Ritter said. "I wanted to make sure it was only for tracking weapons, but the U.S. wanted to cut me out."

"I could no longer guarantee that the methodology would be used" for weapons inspections alone, and not to benefit U.S. military and intelligence agencies, he said.

"Butler will have to convince people that what the U.S. did was for Uncom," Mr. Ritter said. "I think we were given assurances the information would not be misused." But, he added, he believed that the United States had "used Butler."

"I think they set him up," he said.

Mr. Ritter resigned in August, saying that the United States and the United Nations had undermined the inspectors.

A government official familiar with the dispute said Mr. Ritter was ill-informed because there had been a shift in the commission's intelligence-gathering methods last spring.

"Uncom's efforts to collect information have gotten better," the official said. "There was a period when Mr. Ritter was familiar with these methods. The methods have since gotten better, but Mr. Ritter wasn't totally wiring of what was done."

Mr. Butler said the commission had asked for more advanced technology after discovering in 1995 the sophisticated lies and methods of concealment that Iraq used to hide its weapons programs and missile projects.

"I want to say this with all the force that I can: We have never accepted or used any of that assistance for any other purpose" than discerning Iraq, Mr. Butler said. "Have we facilitated spying? Are we spies? Absolutely not."

sador to the European Union who witnessed a similar opinion swing before the country joined the EU in 1995.

Frustrated by a similar wariness in Britain, Giles Radice, chairman of the House of Commons' Treasury Select Committee, urged Mr. Blair on Wednesday to "get off the fence" and set a clear timetable for joining the euro. He said the euro's successful launch would transform Europe's economic and political landscape and demanded a response from Mr. Blair's government.

"Some time in the next year they'll have to firm up their position," Mr. Radice said. "Otherwise, they won't get the support of business they need to persuade the public."

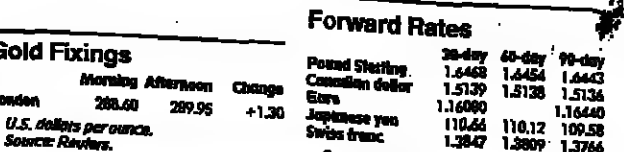
southern European states led by Spain resist any cut in EU subsidies. Britain refuses to give up its rebate and Germany argues for a cut in its payments.

The debate over EU funding has threatened to derail an overhaul of the farm regime, which calls for guaranteed prices for cereals, beef and milk to be reduced with partial compensation offered through direct aid payments to farmers.

Mr. Glavany said Paris was ready to make certain concessions in order to secure a deal, providing other members followed suit, but reiterated France's opposition to co-financing.

France, which enjoys large farm payouts from EU coffers, has suggested cutting overall farm spending as an alternative.

Hog-Glut Puzzle: Farmers Suffer, but Sales Thrive AirTouch



هكذا من الاجل

EUROPE

Volvo Shares Jump on Report of Merger Talk

GOTHENBURG, Sweden — Volvo AB's shares jumped Thursday on a report that Sweden's largest carmaker had hired a U.S. investment bank to explore the sale or merger of its car division.

The report in the Financial Times, which did not name the bank and cited an unidentified Volvo official, said Ford Motor Co., Fiat SpA and Volkswagen AG could be bidders for the unit, which was valued as high as \$5.6 billion. Volvo's B shares closed at 224 kronor, (\$28.50) up 12.

Volvo declined to discuss the report.

"We don't comment on rumors, regardless of their substance," Per Lofquist, a Volvo spokesman, said.

Jonas Wintzell, chief of investor relations at Volvo, said the interest in the report had stemmed from the current wave of speculation on consolidations in the auto industry.

"We've got nothing against international cooperation," said Joakim Spetz, fund manager at Sweden's Robur, which controls 8.9 percent of Volvo's capital and 10.5 percent of the votes. "Robur has complete confidence in Volvo's management."

Volvo has spent the past few years diversifying nonautomotive operations and is now beefing up its truck, bus and construction-equipment divisions through acquisitions. The company's chief executive, Leif Johansson, said he expects Volvo's commercial operations to grow faster than its car unit.

"It does make sense for Volvo to seek out a merger or acquisition partner," said Neal Nakama, an auto-industry consultant at AutoSource. "Volvo really is going to be too small. They're not going to have critical mass to compete against global players."

Mr. Nakama said Volvo's truck operations were its "crown jewels." It is the world's

second-largest maker of heavy trucks after DaimlerChrysler AG and is second in buses and third-largest in heavy construction equipment in the world.

(Bloomberg, Reuters)

Renault Plans Entry into China

Renault is working on a plan to make or sell Megane Scenic cars in China that would serve as the base for an assault on that market, the automaker's deputy managing director, Francois Hinfray, said. Reuters reported from Paris.

Renault, which said its 1998 worldwide sales rose by 15.8 percent, has so far centered its expansion in the Mercosur countries in South America, in Turkey, where Renault has a modern plant, and in Eastern Europe.

Mr. Hinfray said the company needed another project in Asia as part of its long-term objective to increase unit sales outside Western Europe.

Duisenberg Says He Sees No Rate Cut

By John Schmid
International Herald Tribune

FRANKFURT — The European Central Bank, which this week took control of interest rates for Europe's currency union, damped expectations Thursday of an imminent easing to stimulate Europe's cooling economy.

Speaking after the first meeting of the bank's governing council since 11 nations in the European Union introduced their common currency, the euro, Friday, Wim Duisenberg, president of the bank, rejected recent calls for a cut in lending rates by saying the central bank effectively had adopted a neutral stance.

"There is no bias any longer in either direction," he said, "neither toward an increase nor a decrease in lending rates. Mr. Duisenberg said."

"We see no tendency that can force us to change interest rates for as far as we can see," Mr. Duisenberg said, promising to keep the bank's benchmark money-market rate at 3 percent for the "foreseeable future."

The latest calls for looser money came this week from Germany, Europe's biggest economy, amid predictions of slowing growth in the euro zone and rising German unemployment.

The influential DIW economic research institute in Berlin justified a call for an easing of credit with a prediction that the euro zone's economy would slow to 1.9 percent growth this year from 2.8 percent last year. For Germany, Europe's economic locomotive, DIW forecast that growth would fall by nearly half, to 1.4 percent from 2.7 percent.

Adding to fears of a slowdown, the German Federation of Labor joined the demands for lower lending rates with predictions that German unemployment for December would total 4 million people, up from 3.94 million in November, when the government released the data Friday. It also forecast that the country's jobless total would continue to climb through February.

Noting the smooth launch of the euro this week, Mr. Duisenberg expressed satisfaction with the currency's "successful" inception.

Legal Costs Sour Barclays Profit Outlook

LONDON — Barclays PLC, the second-largest British bank, said Thursday that its profit for 1998 would be £76 million (\$125.8 million) lower than its previous forecasts because of a lawsuit brought by a former client.

Barclays was hit in the second half of 1998 by a need to set aside £250 million to cover losses on Russian loans and by the sudden resignation of its chief executive, Martin Taylor, whose successor has not yet been named.

The bank said Thursday the set-

tlement of a lawsuit filed in 1994 by British & Commonwealth Holdings PLC called for Barclays to pay that company's administrators £116 million, of which £40 million is expected to be covered by insurance.

The bank said in November it expected its 1998 pretax profit to be at least £1.9 billion. That figure was calculated before it settled the suit. A charge of £76 million thus would reduce pretax profit by 4 percent.

The bank's share price fell 21 pence to close at £14.07.

The suit arose from the advice that the company's former invest-

ment banking unit, Barclays de Zoete Wedd Ltd., gave British & Commonwealth on its acquisition of Atlantic Computer Systems in 1988. Both British & Commonwealth and Atlantic Computer later went into receivership, and the administrators sought the bank for breach of duties, originally seeking £500 million plus interest.

Barclays sold the equities and corporate-finance business of BZW last year, and some analysts say it should reduce the fixed-income business of the remaining investment bank, Barclays Capital.

Strong Demand For French Bond

PARIS — France's first sale of government bonds denominated in euros was a hit with investors Thursday.

The government sold 3.43 billion euros (\$3.98 billion) of bonds due in April 2009 and 370 million euros of bonds due in April 2029. Bids for the first issue outstripped the number of bonds available by a 2.5-to-1 ratio, while bids for the second issue outnumbered the supply by 3 to 1.

"It's the best auction I've ever seen," a primary dealer at a French bank in Paris said.

Bond traders said a striking feature of the sale was that institutional investors, notably from Japan and other Asian countries, were active buyers and that yields on the 10- and 30-year bonds that had been sold continued to fall after the auction.

Dealers had been worried that a sale of German government bonds Wednesday would crimp demand for the French issue. Germany sold 7.26 billion euros of 10-year bonds Wednesday at yield 3.71 percent.

EU Unemployment Holds at Six-Year Low

BRUSSELS — Unemployment in the 15-nation European Union held at a six-year low in November, according to figures released Thursday, and the jobs rate in the 11-nation single-currency area also was unchanged as slower growth hurt prospects for new jobs in the region.

Joblessness in the EU was 9.8 percent the same as in October, and the unemployment rate for the 11 countries using the euro stayed at 10.8 percent, according to Eurostat, the

EU statistics office. A year earlier, the rates were 10.5 percent in the EU and 11.6 percent in the euro zone.

Unemployment in large European countries is falling slowly, and economists expect that trend to continue as European economies slow this year. The EU has revised its growth forecast for the euro zone to 2.6 percent in 1999 from 3.2 percent.

"The figures aren't surprising, because they reflect stagnant jobless rates in the higher euro economies," said Karen Kricks-Brumlieb, an

economist at HSBC Trinkaus.

Germany's unemployment rate held at 10.6 percent in November, with joblessness rising by 4,000 as construction-industry employment fell. The December unemployment rate is to be announced Friday.

French unemployment dropped to a three-year low of 11.5 percent in November as the number of job seekers fell by 4,700. Germany and France together account for about 50 percent of the euro zone's economy.

(Bloomberg, Bridge News)

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
5223	5103	4403
5203	5083	4383
5183	5063	4363
5163	5043	4343
5143	5023	4323
5123	5003	4303
5103	4983	4283
5083	4963	4263
5063	4943	4243
5043	4923	4223
5023	4903	4203
5003	4883	4183
4983	4863	4163
4963	4843	4143
4943	4823	4123
4923	4803	4103
4903	4783	4083
4883	4763	4063
4863	4743	4043
4843	4723	4023
4823	4703	4003
4803	4683	3983
4783	4663	3963
4763	4643	3943
4743	4623	3923
4723	4603	3903
4703	4583	3883
4683	4563	3863
4663	4543	3843
4643	4523	3823
4623	4503	3803
4603	4483	3783
4583	4463	3763
4563	4443	3743
4543	4423	3723
4523	4403	3703
4503	4383	3683
4483	4363	3663
4463	4343	3643
4443	4323	3623
4423	4303	3603
4403	4283	3583
4383	4263	3563
4363	4243	3543
4343	4223	3523
4323	4203	3503
4303	4183	3483
4283	4163	3463
4263	4143	3443
4243	4123	3423
4223	4103	3403
4203	4083	3383
4183	4063	3363
4163	4043	3343
4143	4023	3323
4123	4003	3303
4103	3983	3283
4083	3963	3263
4063	3943	3243
4043	3923	3223
4023	3903	3203
4003	3883	3183
3983	3863	3163
3963	3843	3143
3943	3823	3123
3923	3803	3103
3903	3783	3083
3883	3763	3063
3863	3743	3043
3843	3723	3023
3823	3703	3003
3803	3683	2983
3783	3663	2963
3763	3643	2943
3743	3623	2923
3723	3603	2903
3703	3583	2883
3683	3563	2863
3663	3543	2843
3643	3523	2823
3623	3503	2803
3603	3483	2783
3583	3463	2763
3563	3443	2743
3543	3423	2723
3523	3403	2703
3503	3383	2683
3483	3363	2663
3463	3343	2643
3443	3323	2623
3423	3303	2603
3403	3283	2583
3383	3263	2563
3363	3243	2543
3343	3223	2523
3323	3203	2503
3303	3183	2483
3283	3163	2463
3263	3143	2443
3243	3123	2423
3223	3103	2403
3203	3083	2383
3183	3063	2363
3163	3043	2343
3143	3023	2323
3123	3003	2303
3103	2983	2283
3083	2963	2263
3063	2943	2243
3043	2923	2223
3023	2903	2203
3003	2883	2183
2983	2863	2163
2963	2843	2143
2943	2823	2123
2923	2803	2103
2903	2783	2083
2883	2763	2063
2863	2743	2043
2843	2723	2023
2823	2703	2003
2803	2683	1983
2783	2663	1963
2763	2643	1943
2743	2623	1923
2723	2603	1903
2703	2583	1883
2683	2563	1863
2663	2543	1843
2643	2523	1823
2623	2503	1803
2603	2483	1783
2583	2463	1763
2563	2443	1743
2543	2423	1723
2523	2403	1703
2503	2383	1683
2483	2363	1663
2463	2343	1643
2443	2323	1623
2423	2303	1603
2403	2283	1583
2383	2263	1563
2363	2243	1543
2343	2223	1523
2323	2203	1503
2303	2183	1483
2283	2163	1463
2263	2143	1443
2243	2123	1423
2223	2103	1403
2203	2083	1383
2183	2063	1363
2163	2043	1343
2143	2023	1323
2123	2003	1303
2103	1983	1283
2083	1963	1263
2063	1943	1243
2043	1923	1223
2023	1903	1203
2003	1883	1183
1983	1863	1163
1963	1843	1143
1943	1823	1123
1923	1803	1103
1903	1783	1083
1883	1763	1063
1863	1743	1043
1843	1723	1023
1823	1703	1003
1803	1683	983
1783	1663	963
1763	1643	943
1743	1623	923
1723	1603	903
1703	1583	883
1683	1563	863
1663	1543	843
1643	1523	823
1623	1503	803
1603	1483	783
1583	1463	763
1563	1443	743
1543	1423	723
1523	1403	703
1503	1383	683
1483	1363	663
1463	1343	643
1443	1323	623
1423	1303	603
1403	1283	583
1383	1263	563
1363	1243	543
1343	1223	523
1323	1203	503
1303	1183	483
1283	1163	463
1263	1143	443
1243	1123	423
1223	1103	403
1203	1083	383
1183	1063	363
1163	1043	343
1143	1023	323
1123	1003	303
1103	983	283
1083	963	263
1063	943	243
1043	923	223
1023	903	203
1003	883	183
983	863	163
963	843	143
943	823	123
923	803	103
903	783	83
883	763	63
863	743	43
843	723	23
823	703	3
803	683	
783	663	
763	643	
743	623	
723	603	
703	583	
683	563	
663	543	
643	523	
623	503	
603	483	
583	463	
563	443	
543	423	
523	403	
503	383	
483	363	
463	343	
443	323	
423	303	
403	283	
383	263	
363	243	
343	223	
323	203	
303	183	
283	163	
263	143	
243	123	
223	103	
203	83	
183	63	
163	43	
143	23	
123	3	
103		
83		
63		
43		
23		
3		

Very briefly:

- Target, the new European money-transfer system, produced some delays after banks made clerical errors, bankers said. The four-day-old system processes euro transactions among banks in the 15 countries in the European Union. Bankers expressed confidence that the system would work well once participants got used to it.
- British Airways PLC said a decline in its business-class traffic was accelerating. BA shares fell 6 percent, to 388 pence (\$6.42), as analysts cut profit forecasts for the airline.
- Britain's capital-markets regulator asked the liquidator of Griffin Trading Co., British activities to provide a timetable for distributing client funds held by the collapsed Chicago-based clearing-services firm. All of Griffin's accounts have been frozen, effectively barring many investors on the London International Financial Futures Exchange from trading.
- German retail sales stagnated in 1998 and will rise only marginally in 1999, the retail association HDE said. The association said 1998 sales after adjustment for inflation would show a decline for the sixth consecutive year.
- Jurys Hotel Group PLC's pretax profit rose 24 percent in the six months that ended Oct. 31, to 16.96 billion euros (\$19.70 billion), as room occupancy was high and rates increased. The company, Ireland's biggest hotel owner, said revenue rose 18 percent, to 55.57 billion euros.
- The Czech Republic's economy shrank about 2 percent in 1998 as unemployment edged 7 percent, the International Monetary Fund said.
- Wembley PLC, the company that operates the London sports stadium, said it had been approached by a potential bidder, whom it declined to identify.

WORLD STOCK MARKETS

Thursday, Jan. 7
Prices in local currencies
in euros for EU countries.
Telecons.

High	Low	Close	Prev.
Amsterdam	26.30	19.35	19.35
Brussels	111.15	104.25	104.25
Frankfurt	34.30	32.30	32.30
London	27.15	26.20	26.20
Paris	27.20	26.25	26.25
Stockholm	27.20	26.25	26.25
Zurich	27.20	26.25	26.25

www.eex.nl	Previous: 581.66				
ABX-AMRO	20.20	19.05	19.25	20.05	Frankfurt
Aegon	111.15	104.35	104.75	110.95	www.eexchange.de
Ahold	34.50	32.80	33.00	33.00	AMB R
Uzo Nobel	27.15	35.40	37.15	35.80	124.50
				31.80	

The Associated Press.

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NASDAQ

Thursday's 4 P.M.
The 1,000 most traded National Market securities
in terms of dollar value, updated twice a year.
The Associated Press.

Symbol	Price	Change	Volume
IBM	125.00	+1.00	1,234,567
Microsoft	145.00	+2.00	987,654
Apple	110.00	+0.50	876,543
Oracle	95.00	+1.50	765,432
Sun	80.00	+0.25	654,321
HP	70.00	+0.75	543,210
Motorola	60.00	+0.50	432,109
Intel	50.00	+0.25	321,098
Cisco	40.00	+0.50	210,987
Novell	30.00	+0.25	109,876

Symbol	Price	Change	Volume
Alcatel	25.00	+0.25	98,765
Lucent	20.00	+0.50	87,654
WorldCom	15.00	+0.25	76,543
Sprint	10.00	+0.50	65,432
Verizon	5.00	+0.25	54,321
AT&T	4.00	+0.10	43,210
Qwest	3.00	+0.10	32,109
Southwest	2.00	+0.10	21,098
Delta	1.50	+0.05	10,987
American	1.00	+0.05	9,876

Symbol	Price	Change	Volume
Boeing	100.00	+1.00	1,234,567
Lockheed	90.00	+0.50	987,654
General Electric	80.00	+0.25	876,543
Westinghouse	70.00	+0.50	765,432
3M	60.00	+0.25	654,321
Johnson & Johnson	50.00	+0.50	543,210
Pfizer	40.00	+0.25	432,109
Merck	30.00	+0.50	321,098
Novartis	20.00	+0.25	210,987
Schering-Plough	15.00	+0.10	109,876

Symbol	Price	Change	Volume
Amgen	10.00	+0.25	98,765
Eli Lilly	9.00	+0.10	87,654
Abbott	8.00	+0.10	76,543
Novo Nordisk	7.00	+0.10	65,432
Roche	6.00	+0.10	54,321
Sandoz	5.00	+0.10	43,210
Novartis	4.00	+0.10	32,109
Novartis	3.00	+0.10	21,098
Novartis	2.00	+0.10	10,987
Novartis	1.50	+0.05	9,876

Symbol	Price	Change	Volume
Novartis	1.00	+0.05	8,765
Novartis	0.50	+0.05	7,654
Novartis	0.25	+0.05	6,543
Novartis	0.10	+0.05	5,432
Novartis	0.05	+0.05	4,321
Novartis	0.02	+0.05	3,210
Novartis	0.01	+0.05	2,109
Novartis	0.00	+0.05	1,098
Novartis	0.00	+0.05	987
Novartis	0.00	+0.05	876

Symbol	Price	Change	Volume
Novartis	0.00	+0.05	765
Novartis	0.00	+0.05	654
Novartis	0.00	+0.05	543
Novartis	0.00	+0.05	432
Novartis	0.00	+0.05	321
Novartis	0.00	+0.05	210
Novartis	0.00	+0.05	109
Novartis	0.00	+0.05	98
Novartis	0.00	+0.05	87
Novartis	0.00	+0.05	76

AMEX

Thursday's 4 P.M. Close
The 100 most traded stocks of the day
up to the closing on Wall Street.
The Associated Press.

Symbol	Price	Change	Volume
IBM	125.00	+1.00	1,234,567
Microsoft	145.00	+2.00	987,654
Apple	110.00	+0.50	876,543
Oracle	95.00	+1.50	765,432
Sun	80.00	+0.25	654,321

Symbol	Price	Change	Volume
HP	70.00	+0.75	543,210
Motorola	60.00	+0.50	432,109
Intel	50.00	+0.25	321,098
Cisco	40.00	+0.50	210,987
Novell	30.00	+0.25	109,876

Symbol	Price	Change	Volume
Alcatel	25.00	+0.25	98,765
Lucent	20.00	+0.50	87,654
WorldCom	15.00	+0.25	76,543
Sprint	10.00	+0.50	65,432
Verizon	5.00	+0.25	54,321

NYSE

Thursday's 4 P.M. Close
(Continued)

Symbol	Price	Change	Volume
IBM	125.00	+1.00	1,234,567
Microsoft	145.00	+2.00	987,654
Apple	110.00	+0.50	876,543
Oracle	95.00	+1.50	765,432
Sun	80.00	+0.25	654,321

Symbol	Price	Change	Volume
HP	70.00	+0.75	543,210
Motorola	60.00	+0.50	432,109
Intel	50.00	+0.25	321,098
Cisco	40.00	+0.50	210,987
Novell	30.00	+0.25	109,876

Symbol	Price	Change	Volume
Alcatel	25.00	+0.25	98,765
Lucent	20.00	+0.50	87,654
WorldCom	15.00	+0.25	76,543
Sprint	10.00	+0.50	65,432
Verizon	5.00	+0.25	54,321

Symbol	Price	Change	Volume
Boeing	100.00	+1.00	1,234,567
Lockheed	90.00	+0.50	987,654
General Electric	80.00	+0.25	876,543
Westinghouse	70.00	+0.50	765,432
3M	60.00	+0.25	654,321

Symbol	Price	Change	Volume
Johnson & Johnson	50.00	+0.50	543,210
Pfizer	40.00	+0.25	432,109
Merck	30.00	+0.50	321,098
Novartis	20.00	+0.25	210,987
Schering-Plough	15.00	+0.10	109,876

Symbol	Price	Change	Volume
Amgen	10.00	+0.25	98,765
Eli Lilly	9.00	+0.10	87,654
Abbott	8.00	+0.10	76,543
Novo Nordisk	7.00	+0.10	65,432
Roche	6.00	+0.10	54,321

JPY 100.50

The data in the list above is the data supplied by the fund groups to Standard & Poor's Microcap SA. It is collected and reformatted into the list below being transmitted to the HT. Standard & Poor's Microcap and the HT do not warrant the quality or accuracy of the list, the data of the performance of funds of the Fund Groups and will not be liable for the loss of the Fund Group to any extent. The list is not and shall not be deemed to be an offer by the HT or Standard & Poor's Microcap to sell securities or investments of any kind. Investments can fall as well as rise. Past performance does not guarantee future success. It is advisable to seek advice from a qualified independent adviser before investing.

ASIA/PACIFIC

Hyundai's Growth in a Shrinking Economy Raises Eyebrows

SEOUL — Closings and cutbacks are the bitter pills South Korea has prescribed for its sickly conglomerates, but one could hardly tell by looking at Hyundai Group.

Seoul last year ordered the country's five biggest conglomerates, or *chaebol*, to shut down or sell units and to limit their reckless expansion, blamed for a deep recession. But a glance at company figures shows Hyundai as a contrast to its four rivals. Although told to trim its sales, Hyundai seems to have consolidated its position as the nation's largest *chaebol*.

"Nobody can prove it, but there are a lot of examples which would support suspicions about the government and Hyundai," said Lee Phil Sang, an economics professor at Korea University.

At the end of 1998, Hyundai had about 90 trillion won (\$77.3 billion) in assets, compared with 73 trillion won at the start. This puts it far ahead of the second-largest *chaebol*, Samsung Group. Despite having a debt burden nearly six times its equity, Hyundai

made acquisitions in the auto, oil and banking industries. On Wednesday, LG Group gave in to government pressure to allow Hyundai to control a new semiconductor company that will be formed by merging LG Semicon and Hyundai Electronics Industries Co.

Even government officials have made comments about Hyundai's expansion.

"I think Hyundai's recent expansion and investments run contrary to other *chaebol*'s efforts," said Kim Tae Dong, senior secretary to President Kim Dae Jung for policy and planning. But the Blue House, South Korea's presidential residence, and Hyundai have dismissed talk of any special favors.

"What favors?" a Hyundai spokesman asked. "It's just a strange coincidence that many projects which we had pursued for a long time have borne fruit this year."

A plan to develop North Korea — a project not expected to turn a profit for years — was the centerpiece of Hyundai's achievements in a year of arduous reforms for other *chaebol*.

Analysts expect the offspring of Hyundai's

legendary founder, Chung Ju Yung, 83, to lead to different areas. The result, they say, could be new satellite *chaebol*.

Samsung did something similar a few years ago, spinning off two units, Hansol Group and Cheil Jedang Group. They had been run by a sister and nephew of the group chairman, Lee Kun Hee.

"Hyundai has recently paved the way for family property to be inherited," said Rhee Namuh, executive director at Samsung Securities Co.

The co-chairman of Hyundai, Chung Mong Koo, second son of the founder, recently took charge of auto operations, which now include Kia Motors and Asia Motors. Hyundai won the bidding for the two debt-ridden companies in October and now accounts for nearly 70 percent of South Korea's car production.

Many analysts say another co-chairman, Chung Mong Hun, the fifth son of Chung Ju Yung, will run the semiconductor and financial interests. The patriarch's other sons and grandchildren are expected to get their

own pieces of the pie, too.

Chaebol were nurtured by the late President Park Chung Hee after the Korean War catapulted South Korea out of poverty.

The five main *chaebol* became internationally known brand names in the 1980s. When the Asian crisis erupted in 1997, South Korea had the world's 11th-largest economy.

But the five *chaebol* seemed to expand more through ego than business sense. They were blamed for overcapacity and massive debts that forced Seoul to accept harsh terms in exchange for a cash injection arranged by the International Monetary Fund.

Kim Dae Jung, a dissident during military rule, was elected president at the height of the crisis and pushed *chaebol* into so-called big deals — forced business swaps in many industries. This has led to inconsistency and a hurried reform timetable. Mr. Lee of Korea University said, Hyundai vowed to cut the number of its affiliates to 30 from 63. But *chaebol* had not just too many affiliates but too much of everything, analysts say.

YEN: As the Japanese Currency Rises, Obuchi Calls for 'Tripolar' Arrangement

Continued from Page 1

oric from Japan and France means, Senior U.S. Treasury officials have made clear they have no enthusiasm for a more targeted or fixed exchange-rate system.

"The Japanese," said James Lister-Cheese, global strategist at Independent Strategy in London, "are clearly worried that the importance of their currency and their economy is going to diminish relative to the two leading currency blocs in the world and that they are going to become country cousins, meaning they will have less influence when it comes to G-7 type meetings and coordinated international policy."

Mr. Chirac, in comments to diplomats in Paris, said: "Greater stability in foreign currencies is a necessity. The global economy has suffered a lot from sudden and excessive movements in the major currencies."

Mr. Obuchi called for a greater role for the yen in a "tripolar" world financial system based on the dollar, the euro and the Japanese currency.

"If Europe and Japan and also the United States cooperate, it will be

possible to build a stable international currency regime," the Japanese leader said. "We must cooperate toward that goal."

In Tokyo, meanwhile, Toyoo Gyohden, an adviser to Mr. Obuchi, warned the United States that a large fall in the dollar was in nobody's interest.

"I would hope very strongly the day will come before too long when the United States recognizes the importance of and their responsibility to maintain their currency's international value," Mr. Gyohden said in an interview with Reuters Television. He proposed that Europe, Japan and the United States "continue consultations between them to find out what is the broad, acceptable range of exchange rates between their currencies." If they can publicly announce that "this is the acceptable range," he said, "I think that could be a very important first step."

Mr. Obuchi said he hoped there would not be "too much fluctuation" in the value of the yen against the euro.

He noted that he had paid 135 yen to the euro for euro-denominated travelers checks on Monday but that

the euro had since fallen to 131 yen. Analysts said Mr. Obuchi's call for a new three-way system, coming just days after the launch of the euro, signaled that the Japanese were frightened that the yen could become irrelevant in a world dominated by the dollar and the euro. While the U.S. dollar and the 11 currencies included in the euro account for roughly two-thirds of world trade, the yen represents less than 10 percent of the total.

The yen has been bolstered lately by the near-doubling of Japanese government bond yields in recent weeks, said Brendan Brown, senior economist at Tokyo Mitsubishi International in London.

"This is very damaging for Japan's economy, which is still mired in recession," Mr. Brown said, noting that Japanese exports could suffer as a result of the yen's strength.

The dollar was at 110.88 yen in late trading in New York on Thursday, down from 112.90 yen Wednesday.

Mr. Brown and others scoffed at the idea of coordinated policy, saying that while France, Germany, Italy and Japan might be united, any formal proposals would run into opposition from the United States and Britain.

"Clearly in Europe, the French and German governments are interested in putting some sort of floor under the dollar in order to maintain their exports," he said, "but I wouldn't think there is any U.S. or British interest in a formal regime."

"There could be a split inside the G-7 over this idea of a new world financial order, although Japan could get agreement inside G-7 for some sort of exchange-rate coordination on the yen."

Mr. Lister-Cheese said that from Tokyo's point of view, "a global coordinated range of currency targets would protect Japan's interests in a geopolitical sense but also diminish the risks of the strong yen playing a hugely negative role in Japan's immediate economic prospects."

Beyond the rhetoric, however, Mr. Lister-Cheese said Japan needed to act to prevent the yen from appreciating further, "or this will squeeze the last drop of potential recovery out of their economy."

Mr. Obuchi will travel to Germany on Friday and Italy on Saturday.

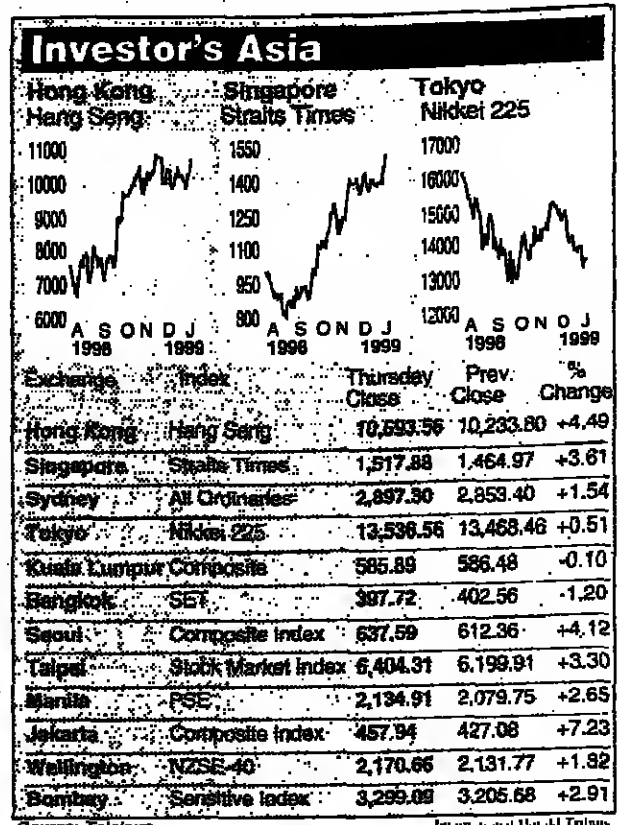
Sega's Game Is a Sellout

BLOOMINGDALE, N.Y. — Sega Enterprises Ltd., which trails Sony Corp. and Nintendo Co. in global sales of home video games, said Thursday it had been overwhelmed by demand for its new Dreamcast game console.

Japanese stores have sold out the 500,000 Dreamcast consoles that Sega shipped between Nov. 27 and the end of December, said Munehiro Uemura, a spokesman for Sega.

The company plans to deliver another 500,000 through the end of its financial year in March, matching its initial projections. The player sells for about 29,800 yen (\$264).

But analysts warned that Sega, best-known for its Sonic the Hedgehog character, had cleared only the first of many hurdles in its race to catch its rivals. Sony, which has sold about 40 million PlayStation since late 1994, holds a commanding lead in a worldwide market valued at an estimated \$15 billion. Dreamcast is scheduled to be released in the United States and Europe in September.



Very briefly:

- South Korea plans a "small" cut in interest rates to try to limit the rise in its currency and protect its export earnings, the central bank said. "We consider it necessary to cut key rates to cap the won's sharp surge, but the cut will be small," said Park Cheul, an assistant governor at the Bank of Korea.
- Associated Cement Cos., India's biggest cement company, canceled a planned sale of preference shares to Tata Group that was intended to raise 1.89 billion rupees (\$44.6 million) after institutional investors protested that Tata, which owns about 14 percent of Associated Cement, should pay more for a larger stake in the company.
- Singapore Telecommunications Ltd. announced the planned purchase, valued at 11.6 billion baht (\$321.8 million), of 20 percent of Advanced Info Service, Thailand's largest cellular phone operator.
- Japan's household spending in November rose 1.3 percent from a year earlier, the first increase in 13 months; officials cited cut-price offers in shops across the country.
- Hong Kong Telecommunications Ltd., the dominant phone company in its region, plans to cut tariffs on its mobile phone services by as much as 70 percent.
- China's Economic Information Daily quoted Huang Jialao, an economist with the Bank of China, as warning that many European importers may be more inclined to seek goods from within the euro zone than from China as the euro currency risks and transaction costs.

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WORLD ROUNDUP

Korda May Face
2d Drugs Hearing

TENNIS The International Tennis Federation will seek a one-year ban for Petr Korda, the Australian Open champion, Brian Tobin, the ITF president, said Thursday in Perth, Australia.

Korda tested positive for the steroid Nandrolone at Wimbledon in July but escaped a ban.

Several of Korda's leading rivals criticized the federation for not imposing the one-year suspension contained in its rules. Tobin said the decision was made by an independent appeals body appointed by the ITF.

He said the federation planned to appeal to the Court of Arbitration for Sport in Switzerland within 10 days. (AP)

At the Hopman Cup in Perth, Martina Hingis kept Switzerland in contention Thursday when she beat Lindsay Davenport, the American who dethroned her as world No. 1 last year.

Hingis beat Davenport in the singles and then, teamed with Ivo Heuberger, beat the U.S. pair of Davenport and Jan-Michael Gambill in the doubles to give Switzerland a 2-1 victory. (Reuters)

Yevgeni Kafelnikov, the No. 3 seed, wasted four match points Thursday and lost, 3-6, 6-1, 7-6 (12-10), to Hicham Arazi of Morocco in the second round of the Open. (AP)



Anna Kournikova of Russia on her way to defeating Li Fang of China, 6-1, 6-4, Thursday in the Challenge Cup in Hong Kong.

White Wins Final Award

FOOTBALL Reggie White capped his illustrious career as The Associated Press NFL Defensive Player of the Year.

White, who planned to retire a year ago, played one last season with the Green Bay Packers and led the NFC with 16 sacks. He easily outplayed John Randle, the Minnesota tackle. (AP)

Couch Turns Professional

FOOTBALL Tim Couch, the University of Kentucky quarterback, will pass up his senior year to enter the NFL draft. Couch was to announce his decision Thursday, a day ahead of the deadline for underclassmen to declare for the April draft.

Kris Farris, a UCLA tackle and the Outland Trophy winner, entered the draft Wednesday along with Amos Zereoue, the West Virginia running back, and David Boston, the Ohio State receiver. Shaun Alexander, the Alabama running back, will remain in school. (AP)

Rookie Wins Slalom

SKIING Benjamin Raich, a 20-year-old rookie, came from 23d position Thursday to win the night slalom in Schladming, Austria.

Raich put in a blazing second run to take the lead.

The steep and twisty course claimed seven of the top 30 racers. Raich, at his first full season on the World Cup tour, completed the two-run race in one minute, 33.32 seconds. Pierrick Bourgeat of France was second, 0.12 of a second back. Kjetil Andre Aamodt of Norway was third in 1:33.51. (AP)

A Sigh of Relief as NBA Gears Up for Shortened Season

The Associated Press

NEW YORK—The National Basketball Association's board of governors unanimously approved the settlement with the players' union Thursday, clearing the way for the season to start in early February.

The 29-0 vote by the owners came one day after the National Basketball Players' Association unanimously agreed to end a six-month-old lockout.

The vote was not immediately announced by the NBA, but it was confirmed by Richard Peddie of the Toronto Raptors' ownership group.

The board of governors is made up of one representative from each of the 29 ownership groups.

The lockout will remain in effect until the agreement is put into written form, a process that could take up to 10 days.

"We can exhale now, without a doubt," said Alonzo Mourning of the Miami Heat. "The deal is done, and we can just focus our mind right now on starting back up again."

Before the season can begin, there will be a three-week frenzy as teams scramble to fill rosters, make trades and sign some of the 200 free agents while running abbreviated training camps that will open around Jan. 17.

The free agents include Michael Jordan, who has talked about retiring. Under terms of the new agreement, Jordan, who made about \$33 million last year, could re-sign with the Bulls for about \$34.7 million. No other team can offer him more than \$14 million.

"Michael is going to analyze the deal, see what Chicago wants to do and then make an informed decision," said his agent, David Falk. "I'm not certain what his time frame is."

Mike Wise of The New York Times reported earlier:

An abbreviated NBA regular season of about 50 games—there are 82 games in a full season—will begin no earlier than Feb. 2, with a full complement of playoffs beginning in early May. The regular season could be extended by one to two weeks, but the playoffs will certainly end before July 4.

The games not played this season translate into total player salary losses of about \$400 million; leaguewide revenue losses also ran into the hundreds of millions of dollars.

The crux of the disagreement for the past six months has been how to divide the \$2 billion in annual revenue that the league generates.

Although both sides made some concessions at the end, the league achieved its main goal of containing the contracts of high-salaried players, and it received some unprecedented concessions from the union.

The league won a maximum salary provision. No other professional sport has a limit on individual salaries.

It also eliminated some of the loopholes to its salary cap that had sent salaries skyrocketing in the last five years, and it refused to yield to the union's request for a greater percentage of revenue.



Billy Hunter, director of the players' union, after reaching accord.

In the end, the union was left to try to keep some of the terms that had provided its players the highest average salary in pro sports, \$2.6 million. It also achieved its stated priority of significantly bettering the economic position of its middle-class players, those close to earning the median salary of \$1.3 million.

The union will receive 55 percent of total revenue toward salaries in the last three years of the seven-year deal. That was less than the players had hoped for. Still, it was better than the prospect of no season and many more millions of dollars in lost paychecks.

Given that the NBA came perilously close to becoming the first major sports league to lose an entire season to labor strife, many players considered the surprise announcement Wednesday fortunate.

"I got a call at 6 A.M. in my hotel room this morning and I couldn't believe it," said Joe Kleine, a free-agent center. "We will finally play again. Now we have a bigger job ahead of us: getting our fans back."

Kleine was one of the 179 players who came to New York on Wednesday for a vote called by the union's negotiating committee.

David Stern, the NBA commissioner, had rejected the union's final proposal Monday, and Billy Hunter, the union's executive director, succumbing to internal and external pressure to hold a vote, summoned the players to New York.

Though he said he still considered the owners' offer inadequate, Hunter said he would put the issue before the general membership. It was a risky move that might have led to uneasiness in the union, prompting it to resume discussions. Amid talk of mounting displeasure, the players flocked to New York unsure of the parameters surrounding a vote.

But what was supposed to result in a tense and potentially divisive debate on the union's position instead turned into scenes of relief in and around the General Motors Building on Fifth Avenue, where the players had gathered at the offices of the union's law firm.

Hundreds of reporters and fans

mingled inside and outside the building, fighting to talk to the players as they exited the building after voting, 179-0, to approve the agreement, upon the unanimous recommendation of its negotiating committee.

"Did we blink?" Hunter said. "I guess we both blinked."

The decisive talks began Tuesday after Hunter asked one of the union's outside counsels to go over to the league's offices in the evening to meet with the deputy commissioner, Russ Granik, and present several concessions to the league.

Negotiating secretly in a conference room at the league's Olympic Tower offices, the two sides exchanged a list of their desires. When they came to a disagreement, Hunter said, they moved on.

In reaching an agreement with the league, Hunter avoided the heated confrontations that could have taken place with 210 of the league's 430 players in one room and under so much strain. With financial futures and playing careers dependent on the outcome of a vote, players were concerned before the confrontation Wednesday that teammates would be pitted against each other.

The damage was avoided. But the damage of this labor dispute on the union could linger.

After agreeing to a deal that many argue is only minimally better than the one the league had been offering all along—and at a cost of almost \$600 million in player salaries—Hunter's leadership has been put into question, and his future is uncertain.

About-Face for Imperious Commissioner

New York Times Service

NEW YORK—With a salvaged season and unprecedented union concessions in his pocket, David Stern took the longest elevator ride of his 15-year life as commissioner, from the low ground he had taken in dealing with his desperate players, to the 25th floor of the Fifth Avenue high-rise where about half of them were waiting.

Stern had with him his loyal deputy, Russ Granik, and two National Basketball Association security guards, Horace Balmer and Larry Richardson. He had a message that he wanted to share, one last hand to play, but he did not know what awaited him Wednesday afternoon inside the law office of Weil Gotshal & Manges.

There, about 200 of the National Basketball Association's players glimpsed in David Stern's face what they had never once seen across the bargaining table. They saw doubt.

"When he first walked in," said Nick Anderson of the Orlando Magic, "you could see this funny look on his face, like he was thinking, 'What kind of reception am I going to get?' He had to be thinking, 'What do they think of me being here?'"

A few players, Charles Oakley for one, did not think much, did not want to hear what Stern had to say, and left. Most of them remained, though, as Stern broke the ice by introducing Granik as "the designated bad guy," before launching into a speech about how the day had marked the end of a long blood feud.

"He said thank you to the players for saving the season and thank you to Billy Hunter and Patrick Ewing for being courteous during the negotiations," said Kevin Johnson, who is about to become a free-agent guard in what promises to be a freewheeling January market. "He said, 'It's our time to get back together.' And then he said, 'We're all part of the same family.'"

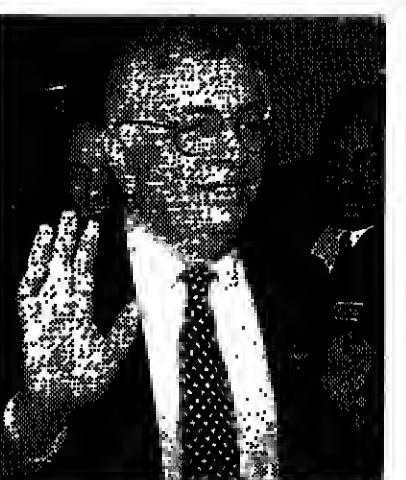
Back on the high road, back in control

of his tarnished product, Stern finished to a round of applause. What a difference the imminent return of a paycheck, a few dozen adoring fans in the lobby and a slightly less imperious Stern had made.

In the end, knowing he had the players where he wanted them, Stern finally moved off the mountain he had climbed atop last month. He accepted an 11th-hour appeal by Hunter, the union's cornered executive director. He threw the players the necessary collective bargaining scraps that allowed them a measure of dignity, and after voting overwhelmingly to play, they were back in the mobbed lobby by late afternoon, feeding on their fame.

The players wore small blue buttons inscribed with the word "solid," and tried their best to discount the fact that, on top of half a season's pay lost, they had swallowed cost controls that will reduce many top salaries by tens of millions.

Goose was the mood of defiance, the



David Stern, the NBA commissioner, after meeting with the players.

Vantage Point / HARVEY ARATON

talk of principle. One by one, the players descended from the 25th floor, and said, oo, they did not have anything personal against Stern. This was about business, and he was doing his job.

"We had players working for us," said Michael Curry, a member of the players' negotiating committee. "David was on the strings of the owners."

This was an interesting, new portrayal of Stern, as the basketball owners' marionette. For years, while commissioners in other sports were pilloried as owner stooges, Stern managed to cast himself as the spiritual leader of the global basketball revolution, representing all.

"Easy Dave," he once called himself. The players' partner. Then his league grew more crowded, more corporate. At the end of the century, Stern, more than a commissioner, now goes about his work like any other cold-blooded chief executive officer.

"A tyrant, a bully," one of the agents, Steve Kaufmann, said, when asked how players might now view Stern. "But then, they're so relieved they probably won't even care."

Like any other calculating executive, Stern realized that, in the end, people just have to work.

Once, when Stern was a rising young attorney at a New York firm, he did pro bono work for a group in his town, Teaneck, New Jersey. The group was engaged in a landmark lawsuit against real estate brokers accused of racial steering, the illegal practice of showing whites and blacks homes in distinctly different areas. Stern helped win the lawsuit, but soon left Teaneck for a less contentious town, defining success in more upscale ways.

"Easy Dave" always tried to be one of the guys. On Wednesday, the finished corporate product left the Fifth Avenue high-rise and marched up the street, bodyguards on both sides.

The Fine Print of League's Agreement

Washington Post Service

Details of the tentative collective bargaining accord between the National Basketball Players Association and the NBA:

Length of agreement: Six years, with league option for a seventh.

Escrow system: Takes effect in the fourth year of the deal to allow owners to achieve more cost certainty on their biggest annual expense: the salaries of their best players. Under this system, 10 percent of player salaries will be placed in escrow. If total league spending exceeds an agreed-upon level, the league will get back, dollar for dollar and with interest, the amount of the overage. Any remaining money will go back to the players, with interest.

Salary cap: A ceiling of \$30 million this season on team payrolls, \$34 million in 1999-2000 and at least \$35.5 million in 2000-2001. Then, in the escrow years, the cap will be 48.04 percent of revenue for the previous year.

Revenue split: No limit to the amount players can receive in the first three years. Players receive a maximum of 55 percent in years four, five and six; 57 percent if league exercises option for seventh year.

NBA NEW MINIMUM SALARIES			
ROOKIES	2ND YEAR	3RD YEAR	4TH YEAR
\$250,000	\$250,000	\$250,000	\$250,000
5TH YEAR	6TH YEAR	7TH YEAR	8TH YEAR
\$400,000	\$400,000	\$400,000	\$400,000
9TH YEAR	10TH YEAR	11TH YEAR	12TH YEAR
\$500,000	\$500,000	\$500,000	\$500,000

Maximum salaries: \$9 million, \$11 million and \$14 million guaranteed in first year of the deal, depending on the number of years in the league. Players currently above the limit can receive a 5 percent increase above current salary in the first year of a new contract.

Minimum salaries: The league increased the entry-level minimum and both sides compromised so that any player at minimum salary is guaranteed \$1 million going into his 11th season. Minimum salaries above \$500,000 will be paid from a leaguewide fund, protecting older players from being cut so teams can save money.

Length of individual contracts: Seven years for players with the Larry Bird exception, a provision that allows a team to exceed its salary cap to re-sign a player; six years for all other free agents.

Annual pay increases: 12 percent for

Bird players, 10 percent for all others.

Exceptions to salary caps: All teams will have the right to sign three additional players every two seasons, even if they are over the salary cap. Teams over the limit will be able to sign one player each year under the "middle-class exception," for up to \$1.75 million in the first season. The teams also can use an existing \$1 million biannual exception to sign players under the new agreement.

Wage scales: Three years with an option for a fourth year and a right of first refusal when a first-round draft choice becomes a free agent after the fourth season.

Drug policy: Marijuana has been added in the list of banned drugs, and violators are now subject to rehabilitation programs, fines and suspensions.

Player misconduct: Increased penalties for drunken-driving violations, not reporting after a trade, and missing practices and public appearances.

Missed games: Players will continue to be able to negotiate a contract whose conditions allow them to opt out of the terms, becoming a free agent, within certain limitations.

No. 1 Pick Stays in Europe, And Loses on His Pro Debut

Olowokandi May Miss Start of His First NBA Season

The Associated Press

SALONIKA, Greece—The National Basketball Association's top draft pick is staying in Europe for the time being.

Michael Olowokandi, the No. 1 pick in the June NBA draft, jumped to the Italian team Kinder Bologna in the final days of the lockout. He will stay with the European club champion at least until Feb. 15, the team said Thursday.

The 7-foot-1 (2.16-meter) center from Pacific University made his professional debut Thursday for Kinder in a Euro League game against PAOK Salonika of Greece. He scored 14 points as Bologna lost, 71-57.

"He has a contract with us until February 15," said Roberto Brunamonti, vice president of Kinder. "We have many important games before then."

Asked if the center would leave as

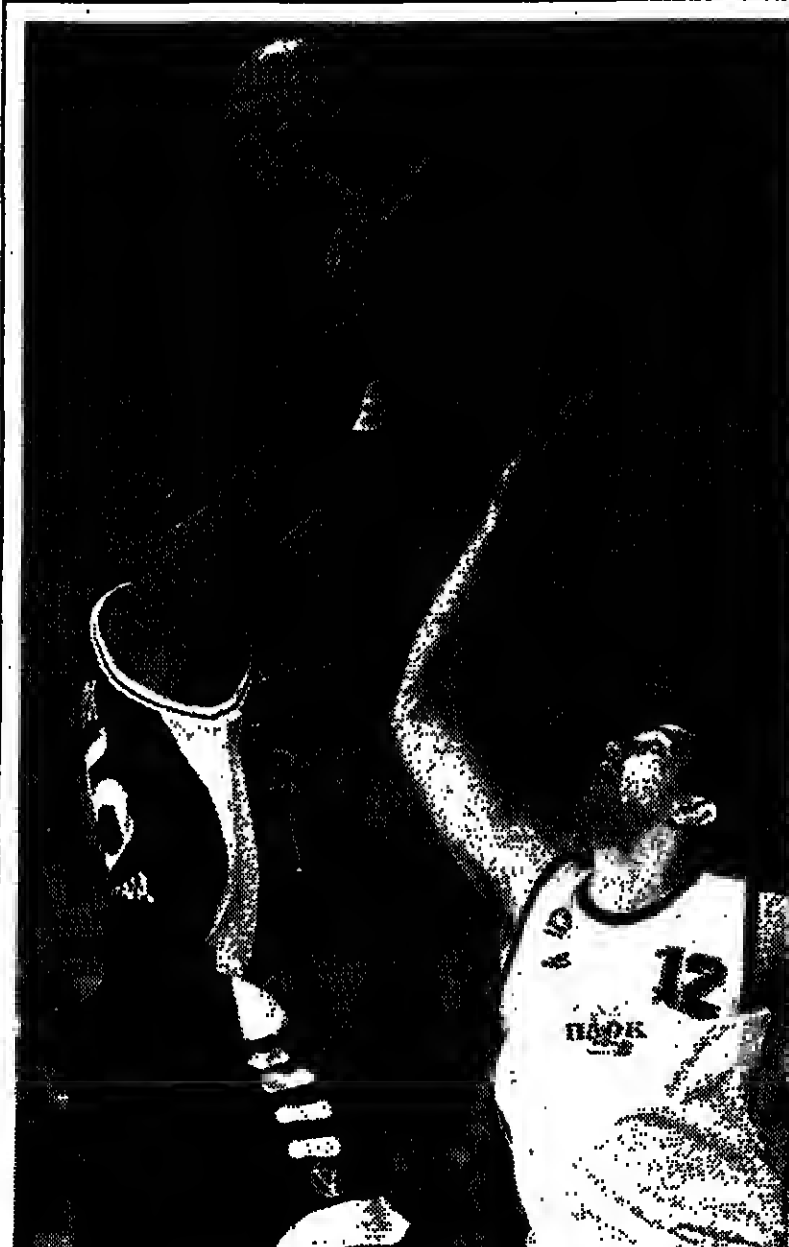
soon as his time at Kinder is up, Brunamonti said: "He might."

Olowokandi, 23, joined the Italian team Tuesday, signing a deal with an escape clause that allows him to leave on or after Feb. 15. Olowokandi was drafted by the Los Angeles Clippers.

Marco Angrisani, a Kinder spokesman, said Olowokandi would honor his contract "no matter what."

He said the club hoped to keep him until the Euro League Final Four in April. Vlade Divac came out on top in the battle of NBA centers in Belgrade. Divac's Red Star, which had been last in Group E, beat Zalgiris Kaunas, for whom Arvydas Sabonis was making his return, 77-69. Divac scored 16 points.

Vinny Del Negro, a guard who played for the San Antonio Spurs last season, will stay with Kinder's rival TeamSystem Bologna at least until Jan. 31, his team said Thursday.



Michael Olowokandi of Italy's Kinder Bologna, left, shooting over Antonio Morales of PAOK Salonika on Thursday. A day after the NBA dispute was settled, Olowokandi, a center, became the first No. 1 pick in the NBA draft to make professional debut outside North America.

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COUNTRY	CURRENCY	1 MONTH	2 MONTHS	3 MONTHS	4 MONTHS	5 MONTHS	6 MONTHS	7 MONTHS	8 MONTHS	9 MONTHS	10 MONTHS	11 MONTHS	12 MONTHS
AUSTRIA	ATZ	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
BELGIUM	FRS	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
DENMARK	DKK	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
FINLAND	FM	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
FRANCE	FRF	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
GERMANY	DM	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
GREAT BRITAIN	GBP	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
HONG KONG	HKD	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
ITALY	LIT	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
JAPAN	YEN	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
KOREA	WON	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
NETHERLANDS	FLG	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
NORWAY	NOK	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
SPAIN	PTZ	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
SWEDEN	SKR	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
SWITZERLAND	CHF	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00
USA	DOL	1.25	2.50	3.75	5.00	6.25	7.50	8.75	10.00	11.25	12.50	13.75	15.00

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كتاب الاحل

SPORTS

Magistrate Jails Madrid Coach on Fraud Charge

Compiled by Our Staff From Dispatches

MARBELLA, Spain — Jesus Gil, the mayor of Marbella, was jailed Thursday on suspicion of funneling public money to Atletico de Madrid, the soccer team he owns.

Judge Santiago Torres, an investigating magistrate in the Mediterranean resort, ordered Gil held without bail for

EUROPEAN SOCCER

alleged embezzlement and fraud, Spanish news agencies reported.

Gil's lawyer, Jose Luis Serra, said he would file an appeal and denied the charges against his client.

Gil, speaking to reporters as he entered prison in the town of Alhaurin de la Torre in Malaga Province, dismissed the judge's move.

"Everything is fine, and I am relaxed," he said. "I am going to jail. This is the lynching campaign against me that is on."

A Spanish anti-corruption prosecutor said there was evidence that in 1991 and 1992 Gil diverted 450 million pesetas (\$3.1 million) to Atletico Madrid.

In October, police raided the Marbella city hall and the team's offices in Madrid. No arrests were made.

Gil is also waiting to find out how much he will be fined for accusing the chairman of Barcelona, Josep Luis Nunez, of "buying off" referees. A court ruled that Gil had made "insidious insinuations" and "directly offensive comments" during a radio interview.

FRANCE The World Cup finals in France last year made a pretax operating profit of 350 million francs (\$61.9 million), sources close to the French government said Thursday.

Following taxes and payment to the European Union of a fine for irregularities in ticket sales, the net profit should be about 200 million francs, the sources said.

The World Cup organizing committee is to be dissolved Tuesday, exactly six months after France beat Brazil, 3-0, in the final, opening proceedings for the distribution of profits. Some will go to the French government, which spent about 5 billion francs on infrastructure for the tournament.

Italy Juventus, playing with 10 men, scored a late goal to gain a 1-1 draw with AC Milan in a fiercely competitive Serie A match Wednesday.

Milan dominated the first half and took the lead with a penalty by Demetrio Albertini. Daniel Fonseca leveled for the champion in the 84th minute.

Paolo Montero, the Juventus defender, received a red card after 67 minutes for a hand ball. It was his 12th red card in Serie A, a record. Montero had been tied with Giuseppe Bergomi, who has played 19 seasons with Inter Milan.

Alberto Zaccheroni, the Milan coach, said he was unhappy with his team.

"I gave my players a real good talking-to," he said. "You can't do what they did in the second half, which was for everyone to fall back and try to defend. This team was built to attack, and that's the mentality I want people here to have. Attack, then go for the second goal, then go for the third goal."

"I want them to play like they did in the first half, when they had Juventus on the ropes."

(Reuters, AP, AFP)



The Panthers' Radek Dvorak, foreground, racing past the Avalanche defenseman Eric Messier in a game that ended in a 2-2 tie.

Carbonneau Aids Stars' Cause With First Goal in 44 Games

The Associated Press

Guy Carbonneau ended his scoring drought with perfect timing. His first goal in 44 games broke a tie with 6:49 remaining and put the Dallas Stars on course for a 6-4 victory over the visiting Vancouver Canucks.

"I know I'm not going to score 20 or 30 goals like I used to," said the 38-year-old center after helping the Stars

NHL ROUNDOUP

to their 15-game unbeaten streak. "But when you go that long without scoring, you rush your shot."

"Tonight I had a good chance, took my time and scored on it."

Carbonneau lifted a rebound over the fallen Canucks' goaltender, Garth Snow, for his first goal since March 29 to give the Stars a 5-4 lead.

Jac LeBlond added an insurance goal with 4:35 remaining.

"As excited as the players are about the win, they're even more excited about Garth's goal," said Ken Hitchcock, the Dallas coach.

Vancouver, which led 2-0 after the first period, lost its seventh straight game.

Saturday's 2, Ford Wings 0 Ron Tugnutt, the Ottawa goalie, had a shutout as the Senators extended their unbeaten streak

to six games. Tugnutt made 24 saves as the Detroit failed to score at home for the first time since Felix Potvin, the Toronto goalie, blanked them last Jan. 21.

In the second period, Tugnutt made two big saves on Steve Yzerman and two more on Martin Lapointe.

Devils 3, Rangers 2 Randy McKay scored twice and Martin Brodeur made some game-saving stops as New Jersey won in New York to continue its domination of the Rangers.

The Devils have not lost to the Rangers in 13 regular-season games.

Brodeur made 30 saves, including great efforts against MacLean, Adam Graves and Wayne Gretzky.

Panthers 2, Avalanche 2 Scott Melnyk tied the game with 39 seconds left, the second of two third-period goals that gave Florida a tie in Denver.

Florida pulled its goaltender to put a sixth star on the ice and was rewarded when Melnyk deflected his game-tying goal past Colorado's goalie, Marc Denis, after a long shot by Robert Svehla.

Saturday's 2, Mighty Ducks 2 Michael Peca scored 29 seconds into overtime, giving Buffalo a comeback victory in Anaheim.

Dixon Ward lost his balance behind the Mighty Ducks' goal, but managed a pass to Peca, who slammed a past goaltender Guy Hebert.

Steinbrenner Makes Peace with Berra

The Associated Press

NEW YORK — Joe DiMaggio, fighting cancer in a Florida hospital, persuaded George Steinbrenner, the New York Yankees owner, to end his feud with Yogi Berra, a former Yankee teammate of DiMaggio's.

After visiting DiMaggio, Steinbrenner flew from Florida to New Jersey to meet Berra.

The feud began when Steinbrenner fired Berra as manager in 1985.

"Fourteen years, I'd say, is long enough," Berra said.

"Yogi is a highly principled man," said Steinbrenner. "I messed up."

Berra flew from Florida to New Jersey to meet Berra.

The feud began when Steinbrenner fired Berra as manager in 1985.

"Fourteen years, I'd say, is long enough," Berra said.

"Yogi is a highly principled man," said Steinbrenner. "I messed up."

An Identity Crisis for NFL Europe Despite Many Alumni Playing in the U.S., League Is Struggling

By Mike Carlson

Special to the Herald Tribune

LONDON — Many of the players competing in the National Football League's divisional playoffs this weekend will be doing more than trying to reach the Super Bowl. They will be trying to enhance the credibility of a league that fields teams thousands of miles away.

These are players who served an apprenticeship in the NFL Europe, formerly known as the World League of American Football. After nine years and seven seasons, the league is still fighting for survival. Its contracts with the NFL and Fox television will end after the 1999 season, and the league has struggled financially. But it has succeeded as a training ground for NFL players, especially quarterbacks.

Yet few in the United States seem to notice.

The matchup Saturday between the Denver Broncos and the Miami Dolphins will showcase 11 NFL Europe veterans. They include Mark Dixon, the Dolphins guard who relaunched his career and won a World Bowl ring with the Frankfurt Galaxy in 1995. He eventually made it to Miami's starting lineup as part of Coach Jimmy Johnson's attempt to upgrade the team's blocking against the run. Two other former World League offensive linemen, John Bock and Mike Sheldon, are also with Miami.

Should Miami get to the Super Bowl, Dixon could become the sixth player to earn both Super Bowl and World Bowl rings.

Two of his Denver opponents, Chris Banks, a guard, and George Coghill, a safety, already have both.

"The Super Bowl ring is the ultimate," said Coghill, who won the World Bowl with the Scotland Clay-

more in 1996. "But the World Bowl ring means more to me, because that was my team."

Keith Traylor, a starting defensive tackle for the Broncos, went head to head with Dixon in 1995 while making the conversion from linebacker to tackle for the Barcelona Dragons.

"He was a natural," said Sam Clancy, a former NFL player and the Dragons' line coach. "It's no coincidence the Broncos won the Super Bowl after they added Keith and Neil Smith from the Chiefs last year."

In spite of the number of players they have sent to the NFL, officials of NFL Europe are perplexed by the lack of the league's recognition in the United States. The two most celebrated recruits from other leagues this season have been Doug Flutie, the Buffalo quarterback who returned from the Canadian Football league, and Oronde Gadsden, a Miami wide receiver who had been playing in a U.S. indoor football league.

"I don't know what we've got to do," said Jack Bicknell, head coach of the Barcelona Dragons. "Doug Flutie comes back from Canada, and everyone takes notice. Oronde Gadsden makes it from the Arena League, and everyone says, 'Wow.' But there are dozens of our players making an impact this season, without any fanfare."

Bicknell, who coached Flutie at Boston College, says another of his quarterback protégés, Jon Kitna at Seattle, is a good example.

When Kitna took over from Warren Moon as the Seattle Seahawks' starter, many were amazed at the poise shown by an unknown player from Central Washington University.

"They got the tools the Dragons to the World Bowl title in 1997 and was the MVP of the championship game,"

Bicknell said. "He had a full season of pro experience as a starter already."

There were 139 ex-NFL Europe players in the NFL this season. A growing number were starters, including six quarterbacks.

Quarterbacks may be the key to NFL Europe's survival. Scott Mitchell, the Detroit Lions' starter, played in for the Orlando Thunder in the World League in 1991-92. Brad Johnson, a former London Monarchs' player, was the Minnesota Vikings' starting quarterback and threw four touchdowns in the season opener before injuries gave Randall Cunningham the opportunity to turn in a brilliant season.

The Vikings have seven ex-NFL Europe players, including Everett Lindsay, who blocked for Kitna in Barcelona and probably has shorter odds than Mark Dixon of doing the championship ring double.

Jamie Martin, an NFL Europe alum, showed the value of game-tested backup quarterbacks when Mark Brunell, the Jacksonville Jaguars' starter, was hurt.

But NFL Europe's success in developing players only highlights its confused identity. Is it a developmental league, an overseas exhibition or a marketing device for promoting American football? Can it do all three to the satisfaction of its various masters?

The World Bowl drew 49,000 fans to Frankfurt last season as the hometown Galaxy lost a German derby to the Rhein Fire of Duesseldorf. Both teams showed operating profits, and with a highly successful domestic amateur league, Germany has replaced Britain as Europe's gridiron hotbed.

This was reflected when the league suspended the money-losing London franchise, and added a third German team, in Berlin.

SCOREBOARD

ICE HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

W	L	T	Pts	GF	GA
New Jersey	22	10	49	112	97
Philadelphia	18	10	46	105	82
Pittsburgh	17	10	41	101	91
N.Y. Rangers	15	14	37	104	104
N.Y. Islanders	13	23	29	91	112

NORTHEAST DIVISION

W	L	T	Pts	GF	GA
Buffalo	21	9	47	105	71
Toronto	22	14	46	122	109
Ottawa	19	13	43	111	97
Montreal	18	12	40	107	94
Washington	12	20	31	97	104

SOUTHEAST DIVISION

W	L	T	Pts	GF	GA
Carolina	18	14	43	104	95
Florida	12	20	37	90	97
Washington	12	20	37	90	97
Tampa Bay	9	25	21	79	128

WESTERN CONFERENCE

CENTRAL DIVISION

W	L	T	Pts	GF	GA
Detroit	14	17	40	116	104
St. Louis	14	17	37	97	97
Minnesota	14	17	37	97	97
Chicago	11	22	27	82	102

NORTHWEST DIVISION

W	L	T	Pts	GF	GA
Colorado	15	18	38	94	101
Edmonton	15	18	38	102	101
Vancouver	13	24	30	103	122
Calgary	12	24	27	100	125

PACIFIC DIVISION

W	L	T	Pts	GF	GA
Dallas	25	6	56	113	71
Phoenix	21	8	47	97	65
Anaheim	14	16	36	99	88
Los Angeles	14	23	31	91	91
San Jose	11	27	31	81	90

WEDNESDAY RESULTS

NEW JERSEY 2, N.Y. RANGERS 0

First Period: New York, Harvey 10 (Sweeney, Schreiner) (pp), 2. N.Y. Islanders 3 (Dillon, Gabor) (pp), 3. New York, MacLean 13 (Sweeney, Schreiner) (pp), 2. Second Period: N.Y. Islanders 10 (Dillon, Sweeney, Schreiner) (pp), 10. New York, MacLean 10 (Dillon, Sweeney, Schreiner) (pp), 10. Third Period: N.Y. Islanders 10 (Dillon, Sweeney, Schreiner) (pp), 10. New York, MacLean 10 (Dillon, Sweeney, Schreiner) (pp), 10.

Final Score: New York, MacLean 10 (Dillon, Sweeney, Schreiner) (pp), 10. New York, MacLean 10 (Dillon, Sweeney, Schreiner) (pp), 10.

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LEADING COLLEGE

Colgate 72, Holy Cross 53

Nov. 5, Bucknell 53

Temple 70, St. Bonaventure 54

Ala.-Birmingham 73, Marquette 66, OT

Florida 94, Vanderbilt 59

Georgia 63, Mississippi 51, 60

Alabama 78, Alabama 60

New Orleans 57, South Alabama 54

Tennessee 73, LSU 58

Xavier 80, Virginia Tech 67

Dayton 62, St. Joseph's 53

Missouri 76, Kansas 51, 73

Oklahoma 78, Texas Tech 68

Southwest Miss. 108, Hardin-Simmons 77

Texas 71, Iowa State 45

Dormer 103, Air Force 85

Nov. 7, Tech (12-1) def. Oklahoma 93-69.

No. 29 Nebraska (12-2) def. Colorado 90-69.

Nov. 8, Tech (12-1) def. Oklahoma 93-69.

Nov. 8, Nebraska (12-2) def. Colorado 90-69.

Nov. 8, Tech (12-1) def. Oklahoma 93-69.

Nov. 8, Nebraska (12-2) def. Colorado 90-69.

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Nov. 8, Tech (12-1) def. Oklahoma 93-69.

POSTCARD

Home on the Plane

By Sam Howe Verhovek
New York Times Service

HILLSBORO, Oregon — Bruce Campbell has heard all the jokes, thank you very much. He knows he has bought himself a real fixer-upper. He knows his project will never fly — not anymore, that is. When guests come to visit at his new home, they will inevitably ask whether they have to keep their safety belts fastened, and whether it is time to return their chairs to a locked and upright position.

Those are the kinds of comments a man will get when he buys a used Boeing 727 to live in, which is exactly what Campbell has done. The jetliner, which logged 43,000 flights in nearly 30 years of service for the Greek carrier Olympic Airways, now sits at the muddy fairgrounds of this suburb west of Portland, dismantled into four sections: the 153-foot-long main body, the tail and the two wings.

Those sections will soon be moved by tractor-trailer to Campbell's wooded property 12 miles away, where they will be reassembled and turned into a man's castle. It is, as Campbell, a 49-year-old electrical engineer and self-proclaimed "lifelong nerd," enthusiastically describes it, "an aerospace-quality sealed pressure canister with structural attributes that would put a common home to shame."

Or, as a real estate broker might put it, the roof will never leak.

Campbell's plans for the plane, which he bought from a salvage company for \$100,000, have generated few complaints from neighbors of his rural property, where he now lives in a trailer. Many there seem far more

worried about the creeping sprawl of subdivisions than the prospect of a 727 parked amid his 10 acres, where it will be largely obscured by stands of Douglas firs.

The new home currently has no power at all. The salvage company removed the jets and a lot of other equipment just after it made delivery to Campbell with a final flight of the 727 into the Hillsboro airport two months ago. But he already has all the permits he needs to turn the plane into his home.

Most commercial airliners come to an ignominious end. Once they are out of service, the bulk is melted down for scrap, a process that Campbell calls an "incredible waste."

In rare instances, though, part of a fuselage will be used to house students in a remote school district or perhaps serve as a restaurant. And at least one other person has done what Campbell plans to do. Jo Ann Ussery, a retired hairdresser in Mississippi, bought a Continental Airlines 727 a few years ago and turned it into what she calls her "dream home," with three bedrooms and one and a half baths.

Campbell has removed the overhead storage bins from all but four rows of the original seats, some of which still have the safety instruction card and a "motion discomfort" bag in the pocket. He has sold seats for \$50 a row.

It is possible that he will build a deck on top of one of the wings once the whole plane is put back together. But maybe not.

"I want it to look like a fully operational aircraft," he explained. "They look so sexy when they're complete and clean."

By Sheryl WuDunn
New York Times Service

TOKYO — It appears to be the Great Japanese Novel: the tale of a poor fisherman's daughter who parlayed a pair of beautiful gray eyes into a career as one of Japan's most bewitching geisha, setting a record price when her virginity is auctioned.

But the story actually was written in English by an American man, Arthur Golden, and published in 1997 as "Memoirs of a Geisha." The novel, which has spent 58 weeks on The New York Times best-seller list and has appeared in 26 foreign languages, is finally being prepared for publication in Japan this year.

The problem is that turning the Great Japanese Novel into Japanese turns out to be a good deal more difficult than anyone had expected, and the Japanese are likely to be among the last people who get to read it. "There have been a lot of problems, a lot of difficulties with this novel," said Yoshiki Nishiyama, the translation editor at Bungei Shunju, the Japanese publisher.

Colloquial English has to be rendered in various Japanese dialects. Japanese-sounding American expressions have to be turned into proper Japanese idioms. The elderly voice of the geisha, Sayuri, has to be distinct from the youthful one, and the characters in the fishing village of her childhood need to speak the right local dialect.

The difficulties with dialects, and especially of accurately portraying the refined, scarcely known Japanese used by top geisha, led four translators to reject the job after they read the novel. But there was a push for a speedy translation from the Japanese people involved in the production of a film version of the book, to be directed by Steven Spielberg. It now seems that the book will not come out in Japanese until late this year. Moreover, the film has been delayed, lifting some of the pressure for the Japanese translation.

A year ago, Nishiyama turned to Takayoshi Ogawa, a scholarly expert in American literature, to transform the novel into Japanese. Ogawa, an English professor, embarked on it soon afterward — between classes three days a week and other translation projects. "This is a once-in-a-lifetime experience for me," Ogawa said. "I knew it would be difficult, but I also knew it would give me lots of pleasure."

Ogawa and Nishiyama acknowledge that they were a bit at sea in working on the novel, for neither had ever met a true geisha.

"For most of us, geisha are not a part of our lives," Ogawa said in his thoughtful, deliberate English. "The geisha life, the geisha tradition — Arthur Golden knows those things, and I don't. I thought it would be hard to translate."

Ogawa realized that he did not know enough about geisha to render the novel into credible Japanese.

The tradition of geisha — refined and artistic entertainers who dance, play musical instruments, exude charm and sometimes share their bodies — has lasted for more than two centuries, and their liaisons with Japanese samurai and politicians are legendary.

"The Japanese, they must view this with some puzzlement," Golden said in a telephone interview from Boston. "They must think it's a strange thing that an American man has written this book."

To complicate the translation, Golden's story is not just about any geisha. It is about the geisha of Gion, in the ancient capital of Kyoto.

Gion has fewer than 100 geisha these days, a tiny fraction of its number a few decades ago, and it is still famed for its teahouses, its narrow streets and its role in Japanese tradition. "Gion is a very special place for the Japanese," said Nishiyama. "It's a very private area. The language is very special."

For starters, Ogawa had to learn the geisha expressions of Gion. Having the geisha speak in more ordinary Japanese would have



Arthur Golden, the author of "Memoirs of a Geisha."

seemed out of place to a Japanese reader, Ogawa said.

Golden uses the term "debut" for the time a young apprentice makes her first appearance as a geisha and becomes a member of that world. After a bit of digging, Ogawa discovered the appropriate Japanese term, *misedashi*, which is not generally used outside of Gion. Similarly, there is a special Gion

term, *o-hirome*, for making a new geisha known in certain circles.

Now, Ogawa has built a data base of Gion phrases, culled from books, articles and other resources, which he stores in his computer. And there are many other phrases in the book that demand deliberation.

At one point in the story, the mistress of the house where Sayuri lives in Gion scolds a maid, saying,

"You'll have no dried fish for six weeks." To Ogawa, "six weeks" sounded too precise, too business-like and not very Japanese. So he plans to change it to "a month."

"It never occurred to me that someone would be translating it into Japanese," said Golden. "I'd probably have been a lot more self-conscious than I already was."

Ogawa needed a contact close to Gion. It took a great deal of wrangling for the translators to work their way into a geisha circle. "We had to use every connection we could," said Nishiyama. And luck helped.

Nishiyama asked a friend in the personnel department of his company to comb the company for any ties to Gion. Exasperated, he voiced his frustration to a receptionist, who happened to have a friend in the sales department who just might know someone in Gion. He did, and they found one connection.

Meanwhile, a former geisha contacted Nishiyama as a candidate for the translation job. Nishiyama couldn't offer her the job, but signed her on as a key consultant, another connection to Gion. Then, Nishiyama turned to friends of Golden's, and they put him in touch with a Gion-born fashion designer, who introduced him to a third woman, a former geisha.

With these three ties, Nishiyama and Ogawa made their first pilgrimage to Gion to see the world that Ogawa was rendering into Japanese. It was September, and Ogawa was more than halfway through his translation.

Although Ogawa expects to finish the translation by March, the book, which will probably be called "Sayuri" in Japanese, is not scheduled for publication until September. But Nishiyama argues that quality is more important than speed.

"If a Japanese reader finds a strange expression in the translation, the story would lose the power of reality," Nishiyama said. "It would lose the power of the fiction itself."

PEOPLE

JAPAN'S Emperor Akihito marked a decade on the Chrysanthemum Throne on Thursday and visited imperial tombs to commemorate the 10th anniversary of the death of his father, Akihito, 65, accompanied by Empress Michiko, prayed before Emperor Hirohito's tomb at Musashino Mausoleum on the outskirts of Tokyo. Other, private commemorative rituals were planned. In the 10 years since succeeding his father, Akihito has sought a new role for an imperial household that over the years had lost much of its appeal to the younger generation.

The country music star Tanya Tucker has accepted a marriage proposal from the songwriter Jerry Laseter, a Tucker spokeswoman said. The couple will exchange wedding vows in a chapel Tucker is having built at her home near Nashville, Tennessee, for the ceremony. They have not set a date.

Showcasing luminaries like Joseph-

ine Baker, Sidney Bechet, Cole Porter and Man Ray, the Smithsonian Institution's 1997 exhibition "The Jazz Age in Paris, 1914-1940" is taking to the road. Three reduced versions of the original, each featuring nearly 100 evocative images of artists and entertainers, posters and other memorabilia will visit 20 states. The show highlights the contributions to jazz of American expatriates.

The photographer and Nazi-era propaganda filmmaker Leni Riefenstahl has decided to visit Germany's first retrospective exhibition of her work, encouraged by the public's positive reaction to the show. Riefenstahl will visit the Film Museum in Potsdam, on the outskirts of Berlin, before the exhibit closes Feb. 28, a museum spokeswoman said, according to Berliner Morgenpost newspaper. Riefenstahl, 96, was a pariah after World War II for making Nazi films such as "Triumph of the Will," but she regained a measure of respect for her photos of the Nuba tribe in Africa

in the 1970s and retains an international celebrity status for her idealized portrayal of human physical beauty.

Bob Newhart has a star in the Hollywood Walk of Fame. Newhart launched his career in 1959 with his comedy routine utilizing a one-man, two-way telephone conversation, de-

livered with his trademark deadpan grin, and went on to the TV sitcoms "The Bob Newhart Show" and "Newhart."

The 56th Venice film festival will be held from Sept. 1 to 11, the organizers said Thursday. It will be the first under Alberto Barbera, who succeeds Felice Laudadio as director.

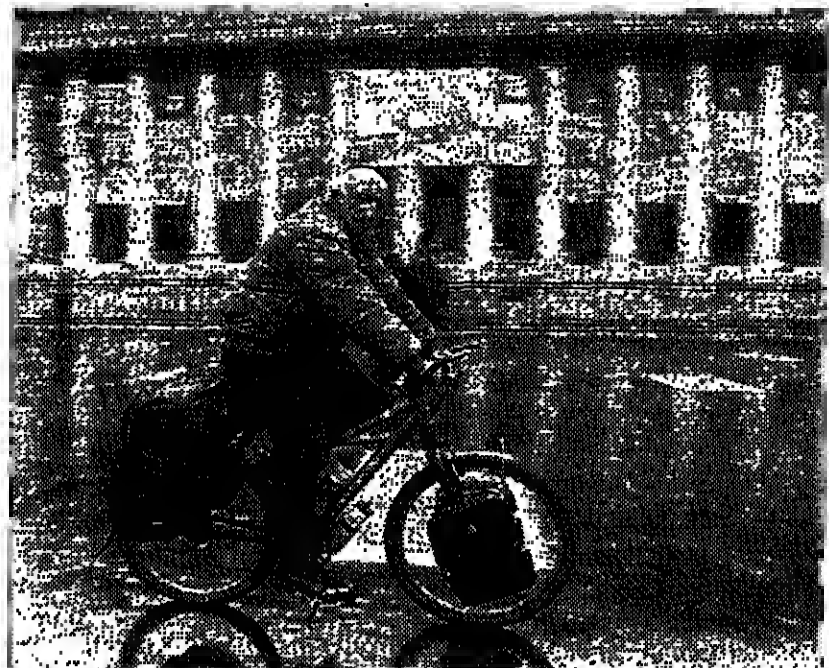
Metallica Prepares for a Black-Tie Gig

The Associated Press

SAN FRANCISCO — The heavy metal band Metallica has a new gig, with the San Francisco Symphony. About 100 symphony members will back the band and the composer Michael Kamen for two performances of all-Metallica songs at the Berkeley Community Theater on April 21 and 22.

Kamen, who has worked with David Bowie, Eric Clapton and Pink Floyd, says the Metallica project has been in the works for two years. "This is not going to be the easy-listening version of Metallica," he said. "The idea is to have Metallica be Metallica and the San Francisco Symphony be the San Francisco Symphony. I think there's more in common than there are differences."

What to wear when the metal crowd meets the black-tie hunch? "Maybe Metallica will be in black tie and the orchestra will be in..." began Lars Ulrich, the drummer. "Black leather," the lead guitarist Kirk Hammett chimed in.



KEEP ON TRUCKIN' — Jumber Lezhava, a university professor from Georgia, passing the Paris Bourse on Thursday as he continued his effort to bicycle across 227 countries. He has, he says, crossed through 147.



(out of the blue)

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2. Dial the phone number you're calling.
3. Dial your card number.



AT&T Access Numbers			
Austria	002-903-011	Greece	06-800-1311
Belgium	00-800-100-10	Ireland	00-800-590-0011
Czech Republic	00-800-100-10	Israel	800-949-4949
Egypt (Cairo)	01-510-0200	Italy	172-1011
France	00-800-99-001	Netherlands	0800-022-9111
Germany	0130-0010	Poland (Warsaw)	755-5042
Saudi Arabia	1-800-100-10		
Spain	900-99-00-11		
Sweden	020-795-61		
Switzerland	0800-89-001		
United Kingdom	0800-89-001		
United Kingdom	0800-89-001		

For access numbers not listed above, ask any operator for AT&T Direct Service, or visit our Web site at www.att.com

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Credit card calling subject to availability. Payment terms subject to your credit card agreement. Bold-faced countries permit country-to-country calling outside the U.S. Collect calling is available to the U.S. only. Country-to-country rates consist of the cost of a call to the U.S. plus an additional charge based on the country you are calling. You can call the U.S. from all countries listed above. * Pay phone deposit. * Limited availability. * Calling available to most countries. * Public phones require local coin payment during the call. * Dial "02" first outside Cairo. * Additional charges apply outside Moscow. * U.S. Access number in N. Ireland. * V call does not connect, use 0800-013-0011, 01996 AT&T

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